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ABSTRACT

This report provides highlights and updates regarding state actions on child care and early education issues during 2000. The information in the report was collected by means of written and telephone surveys with advocates or state child care administrators in each state. The final draft was reviewed for verification by advocates or a state child care administrator in each state. Following an introduction summarizing some of the findings, the report provides information in the following areas for each state: (1) overall funding; (2) subsidy eligibility; (3) subsidy co-payments; (4) subsidy reimbursement rates; (5) tax credits; (6) training and compensation; (7) child care facilities; (8) protecting children through licensing provisions; (9) infant and toddler care; (10) school age care; (11) odd hour care; (12) Head Start, prekindergarten, and collaboration; (13) early literacy; (14) other quality and supply initiatives; (15) planning and local involvement; (16) promoting business involvement; and (17) administration. (Contains 27 endnotes.) (KB)

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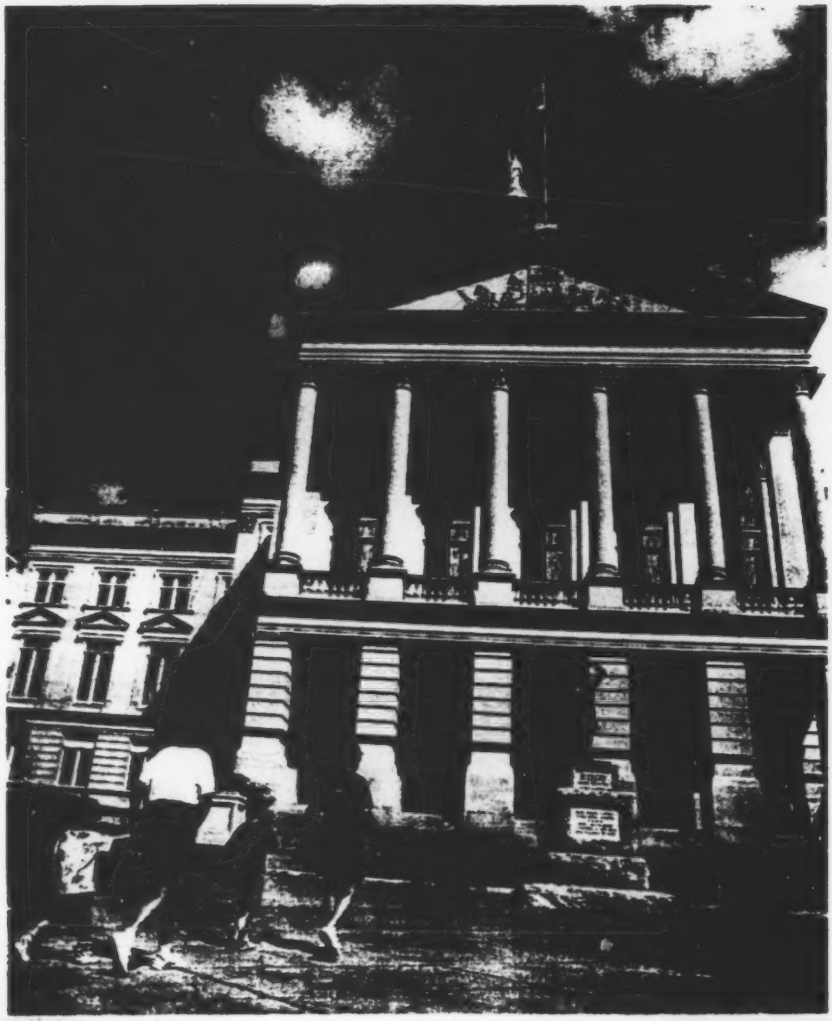
IN CHILD CARE, EARLY EDUCATION, AND SCHOOL-AGE CARE 2000



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CDF provides a strong, effective voice for all the children of America who cannot vote, lobby, or speak for themselves. We pay particular attention to the needs of poor and minority children and those with disabilities. CDF educates the nation about the needs of children and encourages preventive investment before they get sick or into trouble, drop out of school, or suffer family breakdown.

CDF began in 1973 and is a private, non-profit organization supported by foundation and corporate grants, and individual donations. We have never taken government funds.

STATE DEVELOPMENTS

IN CHILD CARE, EARLY EDUCATION, AND SCHOOL-AGE CARE 2000

HELEN BLANK
ANDREA BEHR
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CHILDREN'S DEFENSE FUND
March 2001

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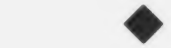
ABOUT THIS REPORT



This report provides highlights and updates regarding state actions on child care, early education, and school-age care issues during 2000. It is intended to serve as a supplement to *State Developments in Child Care and Early Education 1999*, *State Child Care and Early Education Developments: Highlights and Updates for 1998*, and *State Developments in Child Care and Early Education 1997*.

In this edition, we have included (when possible) a comparable state-by-state snapshot of state policies in particular areas. The data in these tables are correct as of June 1, 2000. Subsequent changes in state policies may be reflected in the text.

The information in this report was collected through written and telephone surveys with advocates or an administrator in each state. A draft was reviewed for verification by an advocate and/or a state child care administrator in each state.

The Children's Defense Fund will publish a comprehensive report on state child care subsidy policies early this summer (2001).

ACKNOWLEDGMENTS

This report is one of a series of reports by the Children's Defense Fund (CDF) concerning state policies and practices in child care and early education. CDF's work on this study is supported by the Annie E. Casey Foundation, the Booth Ferris Foundation, the Charles Stewart Mott Foundation, the Citigroup Foundation, the Ford Foundation, and the Prudential Foundation.

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INTRODUCTION

In 2000, states continued to take positive steps toward helping more families pay for child care, to bolster the quality of care, and to expand their investments in prekindergarten initiatives. Much of this progress was fueled by the $3.5 billion in the Temporary Assistance for Needy Families (TANF) block grant funds that states chose to transfer to the Child Care and Development Block Grant (CCDBG) or used for child care within the TANF block grant. These funds have had a significant impact on the child care system, not only in the past year, but since the welfare act was enacted in 1996 because states have come to rely on these funds to sustain child care supports for working families and to invest in quality initiatives. New federal funds for the CCDBG—$817 million of discretionary dollars and $200 million in mandatory funds—will be available to continue this momentum in 2001.

As we begin the new millennium, it is important to celebrate the progress that has been made. Yet these past accomplishments are hardly sufficient to address the need that families have for quality, affordable child care and early education.

Studies Show That Progress Must Continue

While the overall picture indicates positive movement in the areas of early childhood education and after-school care fueled by new resources, the need for child care continues to escalate and the gaps that remain are sobering.

Despite the proven importance of a strong start in early literacy, many children are still not entering school ready to succeed. According to a recent survey by the University of Virginia and the University of North Carolina at Chapel Hill, as many as 46 percent of kindergarten teachers reported that half of their class or more had specific problems upon entering kindergarten. Teachers in districts with higher levels of poverty, rural districts, and those with higher proportions of minority students were especially likely to report that their students had difficulty making the transition.[1]

The increase in the number of parents in the workforce also contributes to a growing need for abundant early child care and education opportunities. A U.S. Census Bureau report, based on data from 1998, finds that, for the first time, in a majority of married-couple families both parents are now working. Fifty-one percent of married couples had children and both parents employed at least part time, compared to 33 percent in 1976.[2]

The proportion of single mothers with jobs, after remaining steady at around 58 percent from 1986 to 1993, also increased sharply to 71.5 percent in 1999.[3] Census Bureau figures on the employment of welfare recipients show a similar trend. In 1995, approximately 40 percent of welfare recipients worked at some time during the year. This rate jumped to 58 percent by 1999, most likely as a result of the 1999 changes in the welfare law requiring parents to work, as well as the strong economy.

Parents Struggle to Find and Afford Care

Millions of low- and moderate-income families continue to face the challenge of finding affordable child care. A 2000 update of a Children's Defense Fund report, *The High Cost of Child Care Puts Quality Care Out of Reach for Many Families*, finds that the average annual cost of child care for a four-year-old in an urban area child care center is higher than the average annual cost of public college tuition in all but one state. In some cities, child care costs twice as much as college tuition.[4] The cost of infant care is even greater. The average cost of center care for a 12-month-old is above $5,750 per year in almost two-thirds of all cities surveyed and more than $6,750 per year in over one-third of the cities surveyed. Child care providers cannot lower their prices because they already operate on extremely tight budgets. A major portion of a child care program's budget is devoted to staff salaries, which are already unacceptably low, making it extraordinarily difficult for programs across the country to recruit qualified staff.

The high cost of care is disturbing in light of the fact that many parents receive little or no help in paying for it. A 2000 U.S. Department of Health and Human Services report found that of the nearly 15 million children eligible for child care assistance, only 12 percent are actually getting any help.[5] Families without assistance spend a large share of their meager earnings on child care; a study of families on waiting lists in New York City found that half of those earning from $6,000 to $12,000 a year spent one-fifth to half of their earnings on child care.[6] Forty-one percent of all families surveyed said they had to cut back on other essential expenses such as food and children's clothing in order to pay for care. Although 77 percent believed that their current child care arrangements were negatively affecting their children, when faced with such high costs, many parents have no choice but to use lower cost, often lower quality, care.

Choices and Tradeoffs: The Parent Survey on Child Care in Massachusetts found that in contrast to middle- and high-income families, a large portion of low-income families reported that the cost of child care had a dramatic impact on their financial well-being. More than one-quarter of all low-income families who used child care reported that they have gone on welfare because of the expense. Low-income parents were also more likely to have quit or lost a job because of problems relating to child care.[7] Yet, in Massachusetts, 16,000 children remain on a waiting list for child care assistance.

New Census Bureau data confirm that child care costs are a burden for low-income families. In 1995, poor families with incomes below the poverty level who paid for child care spent 35 percent of their income on child care, compared with seven percent spent by non-poor families.[8]

Additional Census Bureau data released in 2000 reveal that working parents face equal challenges finding affordable after-school opportunities for their older children. Almost seven million children five to 14 years old cared for themselves on a regular basis.[9] Nearly one child in 10 between the ages of five and 11 goes home after school to an empty house during some part of each week, while more than four out of 10 children ages 12 to 14 spend time unsupervised after school.

The report also reveals discrepancies in participation in after-school enrichment programs that correspond with the income levels of the children's parents. Children living in families with a monthly income of $4,500 or higher were more than twice as likely to participate in enrichment activities such as sports, lessons, or clubs than were children from families with a monthly income under $1,500. Over half (52 percent) of the children living

in families at or above 200 percent of the poverty line took part in at least one enrichment activity, while only one-quarter (24 percent) of the children living below the poverty line participated.[10]

More States Need to Ensure the Health and Safety of Children

The ability of states to ensure the basic health and safety of children in child care settings remains questionable, according to a General Accounting Office report issued in 2000. The report, *State Efforts to Enforce Safety and Health Requirements*, examined different state licensing and enforcement activities, including background checks, timing and regularity of monitoring visits, sanctions, training for licensing staff, and caseloads for licensing staff.[11] State policies were compared with recommendations from the National Association for the Education of Young Children and the National Health and Safety Performance Standards—comprehensive standards developed by the American Academy of Pediatrics and the American Public Health Association.

While the report found that a majority of states were able to meet or exceed recommended monitoring practices in some areas, they fell short in ensuring that a reasonable number of trained staff were available to inspect and support child care programs. For instance, 46 states visited child care centers one or more times per year, and 36 states visited licensed family child care homes at least once every five years. However, only four states invested in adequate training for licensing staff, and only 11 states reported that their licensing staff had caseloads at or below the recommended level of 75 facilities per person. In one-third of the states, caseloads were twice or more the recommended level.

The study also found that, contrary to recommendations, states do not regulate all caregivers. As a result, child care providers who care for large numbers of children operate legally without being required to meet any standards or receiving any regular inspections to ensure that children are safe. Although states must ensure that unregulated providers receiving public funds meet the health and safety standards required in the CCDBG, many states never visit these providers to guarantee the delivery of safe care. Instead, states simply rely on a capricious "self-certification" system, asking providers to certify in writing that they are operating a safe and healthy facility.

Some States Take Promising Action

A number of states did make progress in expanding the availability and quality of child care, early education, and after-school programs in 2000. **Kentucky** took a comprehensive approach while several other states addressed individual issues such as caregiver training and compensation, child care tax credits, and prekindergarten. Three states, **California, Illinois,** and **New York,** made small but important steps to address caregiver wages while **Massachusetts** made a strong commitment to help caregivers working with low-income children improve their skills and earn higher education degrees. **New Jersey** took steps to ensure the quality of its prekindergarten programs. **The District of Columbia** made a sizeable investment in after-school activities for children and youths. **Tennessee** improved its licensing laws and expanded its monitoring efforts to ensure the health and safety of children in child care, while **North Carolina** moved forward to implement its five-star licensing system and bolster its overall licensing efforts. **California** and **Colorado** made significant improvements in their child care tax credits.

Kentucky's Comprehensive Initiative

Following an exhaustive Governor-sponsored task force report on early childhood, the state approved a $55 million annual investment—representing 25 percent of the state's tobacco settlement money—to support the Governor's KIDS Now! Initiative. The initiative adopts a comprehensive approach to early childhood by focusing on improving maternal and child health, supporting families, and enhancing early care and education. To help low-income families with their child care costs, the initiative includes an increase in the income eligibility cutoff for child care assistance from 160 to 165 percent of the federal poverty level. To encourage child care providers to offer higher quality care, the initiative also calls for a tiered rating system for both child care centers and family child care homes that will trigger higher payments to child care providers receiving public funds who meet these higher standards. In addition, child care centers and family child care homes that meet higher quality standards will be offered a one-time cash award. The state plans to initiate several other steps to improve quality as well.

The corporate community and local governments will be encouraged to support working families through a newly appointed Business Council composed of business and community leaders who have demonstrated an interest in early childhood and making the workplace more supportive of families. In

addition, funds will pay for a campaign focusing on the importance of folic acid for pregnant women, universal newborn hearing screenings, an immunization program for under-insured children, eye examinations prior to school entry, and a voluntary home visiting program for first-time parents who are at risk.

Caregiver Credentials and Compensation

California passed the CARES bill, which will provide $15 million to increase compensation for staff working in child care centers that receive contracts from the state to serve low-income children. The funds will be allocated to local planning councils that will develop a plan for distribution and then administer the funds.

Illinois' Great Start program will provide $3 million to support semi-annual bonuses to licensed family child care providers as well as teachers, assistants, and directors in licensed child care centers. As in the North Carolina WAGE$™ program, the amount of the bonus will be based on a provider's level of education. The bonuses will be paid every six months to child care personnel who have been at the same center or home for at least six months. One-time "signing bonuses" may also be available along with bonuses for staff who have remained with the same program for a number of years.

Massachusetts took an innovative step to help child care providers improve their skills and obtain credentials. The state will offer free tuition at state institutions of higher learning to child care providers who work in programs with state contracts where the majority of children receive state funds. Full tuition will be remitted for students enrolled in four-year institutions of higher learning or a community college for any field that receives funding from the state's Executive Office of Human Services. Students enrolled in a continuing education program will have half of their tuition paid. While students must still pay for program fees, free tuition is a forceful incentive for them to earn degrees.

New York enacted the Quality Child Care and Protection Act, which includes $40 million to provide one-time-only grants to child care providers for salary enhancements and professional advancement. To be eligible, employees and operators must have worked full-time for at least 12 months, spend 50 percent or more of their time on direct care or support duties, and make less than the average salary for a kindergarten teacher ($42,000 a year). Six months after applying and as long as funds are available, eligible applicants will receive $750 if they hold an Associate's degree in child care or a

Bachelor's degree or higher degree in any field; $500 if they do not meet these requirements but have a child development credential, an equivalent certificate in a field related to child care, or an Associate's degree in any field; and $300 for all other workers who meet certain eligibility criteria. Eligible programs include licensed and registered child care centers, group family child care homes, family child care homes, and school-age care programs. The program is only authorized for one year and must be reconsidered by the legislature to continue.

New Jersey and High Quality Prekindergarten

A court decision in New Jersey has offered a definition of high quality prekindergarten along with emphasizing its importance. The court's role in this area began with a 1996 settlement in a school finance equity lawsuit (*Abbott v. Burke*) that required the state to provide low-income school districts (referred to as the 30 "Abbott districts") with funds to extend part-day kindergartens to full-day for five-year-olds and offer half-day prekindergarten to three- and four-year-olds. The court has an oversight responsibility in the implementation of this program.

This year, the New Jersey Supreme Court affirmed the rights of preschool children in the Abbott districts to well-planned, high quality, early education. The Court conveyed a strong sense of urgency on behalf of the children, saying "another generation of children will pay the price for each year of delay." It supported collaboration, acknowledging that use of existing community-based child care and Head Start programs is "necessary and appropriate." At the same time, the Court rejected the notion that existing child care standards were adequate to provide a well-planned, high quality program that would enable children in Abbott districts to enter kindergarten on a par with their more advantaged peers. The Court also stressed the need for all programs, whether operated in community child care programs or in public schools, to maintain a high level of quality.

The Court ordered the state to:

- Adopt substantive standards describing the educational content of preschool programs
- Require that teachers in every preschool classroom, whether provided in schools or in community programs, be certified.

The Court also directed that:

- ➤ Teachers currently working in child care programs will now have only four years to obtain a college degree and the new early childhood certification (P-3).
- ➤ All new hires must have a Bachelor's degree and will have until September 2001 to obtain certification.
- ➤ Waivers from these requirements must be based on a clear standard and limited to one year.
- ➤ Scholarship money will be available to help pay for the required college courses.

- ◆ Limit class size to 15 students, with one teacher and an aide (The state had proposed one teacher and two aides, with 20 students.)
- ◆ Require community outreach efforts to inform parents of the availability of preschool programs, with funding provided by the Department of Education.
- ◆ Handle reasonable requests to provide supplemental funds fairly and quickly.

The Governor's budget also included $70 million in additional funds for Abbott preschool programs that will help to make required full-day services possible.

The District of Columbia Invests in After-School

The District took a strong stand to ensure that its children and youths will have access to constructive after-school activities, investing over $20 million in two initiatives. The first effort will allow 58 elementary schools to offer after-school programs and activities during the summer months. The second effort funded the Children Youth Investment Trust Partnership to support 30 school-age programs, six parent development programs, and four entrepreneurship programs for youths. In addition, school-age employees will now have access to youth development training.

Licensing Improvements

Two states, **Tennessee** and **North Carolina**, took positive steps to strengthen their licensing laws and monitoring of programs. Tennessee, spurred by several tragedies in child care, implemented new licensing requirements which will go into effect July 1, 2001. The staff-child ratio for infants was

improved from 1:5 to 1:4; the ratio for toddlers was improved from 1:8 to 1:7. New ratios for the other age groups will go into effect in 2002 and 2003.

In another change, the state passed legislation requiring all early childhood education staff to be fingerprinted through the FBI computer system which the state will pay for (about $48 per check or a total of $700,000 to $1 million annually). The state also increased state licensing fees significantly and passed a civil penalty provision with the revenue going into a fund for training. In addition, the state will now regulate drop-in care and require fingerprinting for these providers. The state has increased the number of unannounced visits from one to six annually for child care centers, one to four for family child care homes, and one to two for unlicensed care receiving public funds. Annual post-employment training requirements for both directors and teacher were increased. Directors' training hours increased from 12 to 18 and teachers' hours increased from 6 to 12. To cover the costs of this expanded training, the state provided additional funding for the Tennessee Early Childhood Training Alliance.

North Carolina added 60 more licensing consultant/supervisor positions to assist with monitoring of its program with two- to five-star licenses. New field staff will help with the processing of rated license applications (for star licenses), increase the frequency with which family child care homes can be monitored, and improve overall caseload. The state began implementing its Five-Star Rated License system for providers of care for children birth to five. Licensing consultants began rating centers starting in fall 1999 and family child care homes starting in January 2000. In summer 2000, the Five-Star Rated License for providers who care exclusively for school-age children went into effect. Incentives and recognition for child care providers who achieve higher-than-minimum standards will now be made available.

Tax Credits

California implemented a refundable child care tax credit that reaches low-income families, with the state investing $200 million in a sliding scale credit.

Colorado will expand its state credit to allow parents who currently claim up to one-half of their federal credit to claim 70 percent. Families' eligibility for the state credit will be increased from $60,000 to $64,000 annually. In addition, family child care providers will be eligible for a $200 tax credit for their own children under the age of 13.

OVERALL FUNDING

Over the past five years, states have seen a large increase in funding available to support child care and early education. Much of this increase has been driven by the availability of federal TANF block grant funds as well as growth in the federal Child Care and Development Block Grant (CCDBG) program. In a few instances, states have allocated significant new *state* dollars as well. This increase has had several positive effects. In a number of states, eligibility for child care assistance has been expanded, provider reimbursement rates increased, and/or family co-payments lowered. However, the size of the unmet need remains daunting. A 2000 report by the U.S. Department of Health and Human Services found that only 12 percent of the nearly 15 million children eligible for child care assistance are being helped.[12]

In 2000, the trend in funding continued—overall funding increased primarily as a result of approximately $3.5 billion of TANF funds that were spent on child care, as well as a $200 million increase in federal CCDBG mandatory funding. While almost all states increased state funding to the extent necessary to draw down federal matching funds, only a few states made a *significant* commitment of new state dollars for child care and early education.

At least 27 states reported that they increased state funding for child care, early education, and school-age care, including **Alabama, Arizona, California, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New York, Ohio, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Vermont, Washington and Wisconsin.*** Kentucky set aside 25 percent its share of the

tobacco settlement to fund its Early Childhood Initiative and **Maine** used tobacco funds to implement the second year of its new child care initiative.

NEW STATE ACTION 2000: STATE-BY-STATE DETAILS

Alabama allocated an additional $250,000 in state funding for the administration of its new Office of School Readiness (OSR) and transferred $30 million from the TANF block grant to the CCDBG (this includes the TANF transfer from the last fiscal year in addition to the FY 2000 TANF transfer).

Alaska supplanted $75,000 of state Head Start funding with federal funds. The state also transferred $14.1 million from the TANF block grant to the CCDBG for child care subsidies ($12.7 million), a child care grant ($1.1 million), and quality efforts ($300,000) and earmarked $2.5 million within the TANF block grant for Head Start.

Arizona increased funding by $24.8 million for FY 2000 and by $31.6 million for FY 2001 (pursuant to the state's two-year budget adopted during the 1999 legislative session) to support quality enhancements, serve additional children, and increase maximum rates to the 75th percentile of the 1996 market rate survey. In addition, the state transferred an estimated $51.7 million from the TANF block grant to the CCDBG for FY 2000 and FY 2001.

Arkansas transferred $1 million from the TANF block grant to the CCDBG and earmarked $4.9 million within the TANF block grant for local Temporary Economic Assistance Coalition funds to serve at-risk families.

California increased state funding for its state prekindergarten program by $23 million to annualize funding from the previous year and by $23.8 million for half-year expansion ($47.6 million when annualized) for 2000–2001. The state also increased funding by $85 million ($170 million when annualized), including $40 million ($80 million when annualized) for child care subsidies, $3 million ($6 million when annualized) for migrant child care for a half-year expansion for child care services, and $42 million for a one-time child care facilities project. The state provided state funds for a 3.17 percent cost of living adjustment for all child care subsidy programs and a $33 million augmentation for child care programs receiving state contracts to make up for past years when no cost of living increase was received. The state also increased state funds by $16 million for the Child Care Development Facilities Direct Loan Fund.

Colorado transferred funds from the TANF block grant to the CCDBG on a county-by-county basis with many counties transferring large amounts.

Delaware increased state funding for child care by $2.2 million to raise provider reimbursement rates in New Castle County (the state's most populous county) and to expand income eligibility levels to 200 percent of the federal poverty level. The state also transferred $4.8 million from the TANF block grant to the CCDBG.

* Indiana and Kansas reported that their increase in state funds was only to draw down increased federal mandatory CCDBG funds. Other states may have had similar increases that were not reported. Conversely, some states may have reported increases that were also designed to draw down increased federal funds without indicating that this was the purpose of the funds.

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The District of Columbia earmarked $10 million within the TANF block grant for a collaborative effort with the public schools to support an education and enrichment program for 10,000 low-income children during out-of-school hours throughout the school year and summer vacation months. An additional $3 million was earmarked for a collaborative effort with the Department of Parks and Recreation to coordinate a summer assistance project for more than 3,000 school-age children. In addition, the District transferred approximately $18.5 million from the TANF block grant to the CCDBG to support $16.1 million in direct child care subsidies and $2.4 million in quality improvement and professional training initiatives.

Florida increased state funding by $71.4 million for child care and transferred $117 million from the TANF block grant to the CCDBG. The state also earmarked $4 million within the TANF block grant to fund a simplified point-of-entry system and a measurement system. The measurement system aims to evaluate the readiness of kindergarteners by using a new assessment instrument, the Early Screening Inventory Kindergarten (ESI-K) test.

Georgia increased state funding for its universal prekindergarten program from $216 million to $225 million. The state also transferred $30 million from the TANF block grant to the CCDBG for increases in child care subsidies and wrap-around care for Head Start and prekindergarten. In addition, the state earmarked $300,000 within the TANF block grant for micro-enterprise initiatives, including the start-up of family child care home businesses.

Hawaii transferred $11 million from the TANF block grant and an all state-funded welfare program (TANONF) to the CCDBG.

Idaho transferred 20 percent of the TANF block grant to the CCDBG. The state also earmarked $2.3 million within the TANF block grant to expand Head Start ($1.5 million) and to support Parents as Teachers ($800,000).

Illinois increased state funding by $205 million to avoid a waiting list for child care subsidies and to fund Great START (a provider compensation program) at $3 million. The state also transferred $117 million for FY 2000 and $150 million for FY 2001 from the TANF block grant to the CCDBG. In addition, approximately $35 million for FY 2000 and $35 million for FY 2001 was earmarked within the TANF block grant for child care.

Indiana increased state funding for the CCDBG by $2.5 million and transferred $6 million from the TANF block grant to the CCDBG.

Iowa increased state funding by $5.2 million for its Community Empowerment Areas, grants to local communities for school-readiness activities for children and families. (Currently, nearly $2 million of these funds are being used for Head Start programs.) The state also transferred nearly $3.8 million in TANF block grant funds for local Community Empowerment Area child care initiatives. In addition, the state transferred nearly $4 million from the TANF block grant to the CCDBG for child care assistance and $700,000 for child care grant projects, including $200,000 for emergency grants and start-up costs, $200,000 for assistance for school-age care to increase the number of children served and to help cover transportation costs, and $300,000 for educational opportunities for registered family child care providers to improve services and increase the number of providers.

Kansas increased state funding by $1.3 million. The state also transferred $13.1 million from the TANF block grant to the CCDBG to finance Head Start and Early Head Start ($6.1 million), infant-toddler specialists for resource and referral agencies ($720,000), child care licensing ($1 million), and child care quality grants ($350,000) as well as other initiatives.

Kentucky set aside approximately $55 million (25 percent) from the Phase I Tobacco Settlement to fund Governor Patton's Early Childhood Initiative, KIDS Now! Child care will receive $23 million of the $55 million. The child care components of the initiative include:

- the establishment of a child care rating system with cash incentives for providers reaching certain levels of quality, and additional incentive increases for children in higher quality care
- a child care scholarship program with a cash stipend for providers who complete classes
- additional personnel in resource and referral agencies to provide technical assistance to programs working to move through the rating system and personnel to assist with professional development within the scholarship program
- the development of at least three credentials—one for directors, one for entry-level child care staff, and one for trainers
- increased subsidy funds with income cut-off levels for families raised to 165 percent of poverty
- child care health consultants in local health departments
- local early childhood councils requiring collaboration between prekindergarten, child care, family resource providers, and others and including a local grants program
- increased licensing personnel to reduce caseloads to 50 child care programs per licensor
- the establishment of a business council to involve the corporate community and local governments in supporting efforts to help working families in the state
- regulations for exempt-care providers that require them to receive training, limit their capacity, and meet soon-to-be-established health and safety standards, including both criminal records checks and child abuse and neglect checks on the provider and all members of the household
- the creation of a state early childhood authority to plan and oversee child care and early education programs and to disburse funds.

The state also transferred $36.2 million over a 15-month period from the TANF block grant to the CCDBG for child care subsidies and earmarked $18 million within the TANF block grant over the same period for subsidies for TANF clients.

Louisiana transferred 30 percent of the TANF block grant—the maximum amount allowed—to the CCDBG.

Maine approved an $8.1 million child care package utilizing funds from the state's tobacco settlement. This includes: $2.6 million for child care subsidies for infants, toddlers, and preschool-age children and $1.2 million for subsidies for school-age children; $652,357 for new after-school programs for youths ages 12 to 15 years;

$1.8 million to offer child care during odd hours in underserved communities, and for children with special needs; $489,268 for the state's resource and referral network; $450,000 to support full-day, full-year Head Start; $276,000 to provide enhancements to accredited programs; and funding for nine child care-related positions in the Department of Human Services and two-and-a-half positions in the Department of Public Safety, Fire Marshal's office. The state also transferred $6 million from the TANF block grant to the CCDBG. The Maine legislature approved an Earned Income Tax Credit set at five percent of the federal credit.

Maryland increased state funding by $2.5 million to expand Head Start and transferred $45.8 million from the TANF block grant to the CCDBG to raise income eligibility limits for child care assistance.

Massachusetts increased state funding for child care by $59 million (14 percent). The state transferred $112.2 million from the TANF block grant to the Child Care Fund, which includes a total of $199.7 million of TANF and CCDBG funding. The fund provides $25 million for increases in child care rates, $2.9 million for quality initiatives, $12.3 million for resource and referral, $12.6 million for welfare-related child care, $34.5 million for child care for families moving off of transitional child care, $68.2 million for child care for low-income working families (income eligible), and $44.3 million for supportive services (family preservation/protective). In addition, the state earmarked $163.9 million within the TANF block grant, including $48.4 million for welfare-related child care, $22.1 million for families after their first year off welfare, $44.4 million for child care for low-income working families, $1.6 million for informal care (in-home or relative care), and $47.4 million for the state's prekindergarten program, Community Partnerships for Children.

Michigan increased state funding for the Michigan School Readiness Program (the state's prekindergarten program) by $33.4 million, including an additional $18.4 million for part-day programs (for a total of $84.7 million) and an additional $15 million for Head Start and child care programs to provide wrap-around care (an increase from $5 million to $20 million). The state also allocated $45 million in state/federal funds for a new parent involvement and education initiative for families of children from birth to kindergarten entry. In FY 2000, the state transferred $9.6 million from the TANF block grant to the CCDBG and spent $320.9 million within the TANF block grant for child care.

Minnesota increased state funding by $9.4 million over three years for participants of the Minnesota Family Investment Program (MFIP, the state's TANF program) to receive child care assistance. The state also increased state funding by $8.7 million over three years to provide uninterrupted child care for families moving into the Transition Year program, following participation in MFIP. The state earmarked $6.5 million over three years within the TANF block grant to decrease the state waiting list for child care.

Mississippi transferred $17.4 million from the TANF block grant to the CCDBG for subsidies and earmarked $20.3 million within the TANF block grant funds for child care quality enhancement grants to 172 centers.

Montana transferred $12.5 million from the TANF block grant to the CCDBG.

Nebraska made an adjustment to the child care budget to address a deficit (the number of children served and the utilization of the program greatly exceeded projections when the state passed the two-year budget set in the 1999 session). In FY 2000, the state increased the child care budget by $12.6 million ($3.6 million from state general funds and $9 million from the state's TANF block grant) and in FY 2001 the state increased the child care budget by $13.4 million ($3.4 million from state general funds and $10 million from the state's TANF block grant).

Nevada increased state funding by $2.2 million to eliminate the child care waiting list ($1.9 million), support Early Head Start wrap-around ($100,000), and support school-age programs ($174,000). The state also earmarked $1.4 million within the TANF block grant for child care.

New Hampshire increased state funding for child care by $1 million from FY 1999 to FY 2000 and projected an increase of $1 million from FY 2000 to FY 2001.

New Jersey increased state funding for child care, Head Start, and prekindergarten by appropriating $69 million from the TANF block grant (through direct spending within TANF and transferred to CCDBG) to expand preschool services to full-day, year-round in the state's 30 poorest districts and earmarking $249 million within the TANF block grant for child care.

New Mexico transferred $23 million from the TANF block grant to the CCDBG for child care assistance, and training and technical assistance for providers of before- and after-school programs. The state also earmarked $6 million within the TANF block grant to expand Early Head Start and/or Head Start for TANF-eligible families.

New York increased state funding by $174.5 million to support an estimated 28,000 new child care subsidy slots for low-income working families ($119.5 million), implement a new salary enhancement and professional advancement initiative ($40 million), and build new, or renovate existing, child care centers ($15 million). The state allocated $225 million for the third year of implementation of its prekindergarten program (a minimum of $2,700 per student), which it plans to expand to make available to all children and families who want to participate. After-school funding was increased as well by $24.5 million, including $14.5 million for the Advantage After-School Program (bringing total funding to $20 million), and $10 million for the Extended Day/School Violence Prevention Program (bringing total funding to $30.2 million). The state also increased the state Dependent Care Tax Credit and the state Earned Income Tax Credit.

North Carolina transferred $76.7 million from the TANF block grant to the CCDBG and earmarked $26.6 million within the TANF block grant for child care in State Fiscal Year 2000–2001.

North Dakota transferred $18 million from the TANF block grant to the CCDBG with $16.5 million allocated for child care assistance.

Ohio increased state funding by $3.6 million, including a $3.1 million increase for Head Start (for a total of $100.1 million for 2001), and a $500,000 increase for public prekindergarten (for a total of $19.5 million for 2001), pursuant to the state's two-year budget effective July 1, 1999 (SFY 2000). The state also transferred approximately $7 million from the TANF block grant to the CCDBG for child care for low-income

working families and spent approximately $48 million within the TANF block grant directly for care for families receiving TANF cash assistance. In August 2000, for the first time ever, child care subsidy expenditures exceeded Ohio Work First (OWF) cash assistance expenditures.

Oklahoma transferred $29.5 million from the TANF block grant to the CCDBG and earmarked $22.6 million within the TANF block grant and $2 million within Title XX for child care subsidies. The state also increased state funding for the prekindergarten program to almost $48 million.

Oregon increased funding for the biennium by $260,000, from $3.64 million to $3.9 million, and earmarked funds within the TANF block grant for Head Start contracts, child care subsidies, and child care resource and referral agencies.

Pennsylvania increased funding for child care by $76 million in state *and* federal funds in 2000–2001 (from $366 million for 1999–2000 to $442 million for 2000–2001). The funds include a transfer from the TANF block grant to the CCDBG, an earmark within the TANF block grant for child care for TANF recipients, funds from the Title XX/Social Services Block Grant, and CCDBG funds. *State* funds for child care were expected to decrease by approximately $8 million.

Rhode Island increased state funding for child care by $27.9 million (for a total of $50.9 million) to expand child care assistance for families below 225 percent of poverty, fund the reimbursement rate increase passed in 1998, expand funding for professional development by 33 percent (from $700,000 to $932,000), expand health insurance coverage for child care providers in centers where 40 percent of the children receive state subsidies, and add $1.8 million for comprehensive services for low-income children in early childhood programs. The state also transferred $4.1 million from the TANF block grant to the CCDBG for child care subsidies and for the development of comprehensive child care programs.

South Carolina transferred $9.3 million from the TANF block grant, including $3.3 million to the CCDBG, $5 million to the office of First Steps to School Readiness—its program to promote community-based planning for comprehensive services—and $983,331 to the Catawba Indian Nation to support after-school child care from May 2000 to September 30, 2001.

South Dakota transferred $1.6 million from the TANF block grant to the CCDBG.

Tennessee increased state funding by $3 million for early childhood education. The state also transferred the maximum amount of funds allowed from the TANF block grant to the CCDBG and earmarked sufficient funds within the TANF block grant to provide child care for 18 months for the children of TANF families participating in the program.

Texas allocated $33.9 million of general revenue for child care and transferred $55.7 million from the TANF block grant for child care, including $53.7 million to the CCDBG and $2 million to Title XX. The state also increased funding for its prekindergarten effort (administered through the Texas Education Agency) by $39 million in FY 2000.

Utah transferred $4.5 million from the TANF block grant to the CCDBG and earmarked $235,000 within the TANF block grant to support registration and inspection

of residentially certified child care providers who provide care for families receiving state child care assistance.

Vermont increased state funding by $250,000 in response to a caseload increase in the subsidy program. The state also transferred $7.5 million from the TANF block grant to the CCDBG to improve subsidy rates and earmarked $1.6 million within the TANF block grant to support payments to legally-exempt providers.

Virginia transferred $28 million from the TANF block grant to the CCDBG.

Washington decreased funding for Foster Parent Employment Child Care (FPECC) by $1.3 million and increased state prekindergarten funds (ECEAP) by $738,000, including $600,000 for cost-of-living increases. The state also used $571,000 from the CCDBG to supplant state spending for the STARS (State Training And Registry System) program. In addition, the state transferred approximately $95 million from the TANF block grant to the CCDBG to augment various quality enhancement projects, including $3 million for a career and wage ladder and $1.5 million for a project to increase the number of family child care homes with a license. The state also earmarked $9 million within the TANF block grant to build capacity for infant/toddler care, odd-hour care, before- and after-school and middle-school-age care, and care for children with special needs.

West Virginia earmarked $19.9 million within the TANF block grant, including $18.4 million to raise eligibility for child care assistance and increase daily reimbursement rates to providers, and $1.5 million for Educare pilot projects to increase access, affordability, continuity of services, and staff training and compensation.

Wisconsin increased funding for child care subsidies by $28 million to ensure that all eligible families would be served. This is in addition to the $340 million two-year budget set for the 1999–2001 biennium. Approximately 70 percent of the state's child care budget is funded with TANF dollars.

SUBSIDY ELIGIBILITY

Eligibility guidelines for child care assistance are a primary determinant of a family's ability to receive assistance. If a family who needs help is not eligible for assistance, the state's other subsidy policy choices are irrelevant to them. At the same time, eligibility criteria alone do not ensure that a family can easily access, or ultimately receive, assistance when funds are inadequate to serve all eligible families. It is clear that the level of unmet need in many states remains high, with long waiting lists a continuing reality for families.

In 2000, nine states raised income eligibility guidelines for child care assistance, including **Arkansas, Colorado, Florida, Kentucky, Maryland, Pennsylvania, South Carolina, West Virginia,** and **Wisconsin**. Mississippi and Utah did so by updating eligibility to reflect the current state median income. Two states—**Delaware** and **Washington**—implemented increases that they had approved in 1999. In addition, several states broadened eligibility by allowing new categories of families to qualify.

Vermont took a step to ensure that sufficient resources are available to serve eligible families. The state reinstated budget bill language that prohibits placing a cap on the child care subsidy program without seeking additional funds through the budget adjustment process.

Setting generous initial income eligibility guidelines is the first step in ensuring the ability of families to qualify for child care assistance. There are also complementing strategies that states can use to help working families maintain access to child care assistance. A number of states set limits that are above

the initial income eligibility cutoff for families already receiving assistance, allowing them to continue receiving financial help even if they get a raise or higher paying job. In 2000, **Florida** and **Wisconsin** adopted this approach.

States have taken other steps to help families retain their eligibility for assistance. For example, this year **Arkansas** eliminated the requirement for in-person re-evaluation. **Colorado** will allow families already receiving child care assistance to remain eligible for the entire six-month certification period even if their income goes above the county's eligibility limit, unless it exceeds 85 percent of the state median income.

Five states, including **the District of Columbia, Maryland, Ohio, South Dakota,** and **Vermont**, made it easier for families of children enrolled in Head Start to continue their child care subsidies uninterrupted for the entire Head Start year and facilitated Head Start/child care collaboration.

New State Action 2000: State by State Details

Alabama raised eligibility to be consistent with current federal poverty guidelines and implemented a 20-hour minimum participation requirement for parents who are employed in education or training, or a combination of work and education or training.

Arkansas increased eligibility levels from 138 percent to 156 percent of the federal poverty level and eliminated the requirement to re-certify for assistance in person. The state has simultaneously implemented several changes to limit access to the state subsidy program because of tremendous growth in demand (the waiting list has 4,000 families) and limited funds. It raised the work requirement for low-income families to 35 hours a week and increased the number of college credit hours required for a student to qualify for services from 12 to 15.

Colorado raised the maximum state eligibility limits from 185 to 225 percent of the federal poverty level and will now allow a family already receiving child care assistance to maintain eligibility for the entire six-month period even if their income increases (provided income does not exceed 85 percent of the state median income).

Delaware implemented last year's income eligibility increase to 200 percent of the federal poverty level.

The District of Columbia changed eligibility rules to allow dual-eligible children (children eligible for both Head Start and child care) to remain eligible for child care for one year instead of six months. The District also established the Child Care During Job Search Initiative to offer child care services for TANF and non-TANF residents who are actively seeking employment.

Florida raised income eligibility from 185 percent to 200 percent of the federal poverty level for families who are already receiving child care assistance. (Parents initially applying for child care assistance can still earn no more than 150 percent of the federal poverty level upon entry.)

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Kansas changed eligibility requirements to expand child care assistance to employed persons who want to pursue education or training activities, as long as the activities are skill-specific and/or will enhance earning potential upon completion. Child care may also be authorized if the parent is within one semester of completing a Bachelor's degree. Participants must work at least 20 hours a week while in school.

Kentucky increased income eligibility from 160 percent to 165 percent of the federal poverty level and indexed its eligibility to the annual adjustment in the poverty level.

Maryland raised income eligibility from 40 percent to 45 percent of the state median income. In addition, the state now disregards $2,200 of a family's annual income per child for individuals who assume custody of children who are not their own and for the families of teenage parents. Eligibility for child care assistance may now also be extended beyond 12 months for all families receiving assistance, to be compatible with the Head Start school year. In a measure to promote child health, the state now requires parents to verify that their children are age-appropriately immunized in order to qualify for assistance. For children in regulated child care, documentation of this must be submitted to the provider (as required by licensing regulations), and for children in informal child care, documentation must be submitted to the local department of social services. In addition, the state implemented a policy change ensuring the consideration of the citizenship status of the *child*, not the applicant.

Massachusetts passed a requirement to improve procedures for notifying eligible welfare recipients and past recipients about the availability of child care.

Minnesota expanded the definition of "transition-year families" to include families who participate in the Minnesota Family Income Program (MFIP) for at least three of the last six months before their MFIP case closes. Under this definition, families who voluntarily request closure of their MFIP case and families who are terminated due to failure to return their monthly household report or redetermination forms are now eligible. Closure due to increased earnings or child support is no longer required. Transition-year child care is not available to families who have been disqualified from MFIP due to fraud.

Mississippi updated eligibility limits to reflect the 2000 state median income. The state also expanded eligibility to foster children whose parents are not working and children of full-time students who are not working. In addition, the state authorized respite care for children in protective services.

North Carolina passed legislation to enable non-citizen families who reside in the state illegally to be eligible for child care if they meet the eligibility requirements and the child for whom a child care subsidy is sought is developmentally delayed or at risk of being developmentally delayed. In addition, a child who is a U.S. citizen is eligible to receive services regardless of his/her parent's legal status.

Ohio implemented new changes to child care subsidy eligibility rules and practices effective September 1999, as a result of legislation contained in the SFY 2000–2001 state budget bill. The changes established a 12-month eligibility period for child care during which parent co-payments remain the same, regardless of changes in income, as long as they remain eligible. If a parent ceases to meet eligibility requirements, by earning over 185 percent of the federal poverty level

or no longer working, child care assistance is terminated. An exception is provided for children receiving child care subsidies and enrolled in a Head Start/child care partnership model. These children can maintain child care eligibility for the remainder of the current Head Start program year regardless of a change in income or work status.

Oklahoma expanded the number of children with disabilities eligible for a higher reimbursement rate through the subsidy program by expanding eligibility to include children qualifying for early intervention or special education services through the school system. Previously, only children receiving Social Security Income (SSI) were eligible.

Pennsylvania increased the eligibility ceiling for initial entrance into the child care assistance program from 185 percent to 200 percent of the federal poverty level. Once admitted, families remain eligible until their income reaches 235 percent of the federal poverty level. In addition, the state initiated new outreach advertisements and mailings to alert families to the availability of child care assistance, since the state's waiting lists for assistance for children birth to five have been eliminated.

South Carolina increased income eligibility from 125 percent to 150 percent of the federal poverty level for initial entry and parents may continue to receive child care services until their income exceeds 175 percent of the federal poverty level. The state also expanded eligibility to include TANF child-only cases that are referred by child welfare services and TANF families who have been sanctioned.

South Dakota changed its rules to allow for a one-year continuous eligibility cycle for families enrolled in full-day, full-year Head Start/child care programs. A Memorandum of Understanding is established between each Head Start/child care program and the Office of Child Care Services that outlines responsibilities of each party involved in the partnership. This has increased collaboration opportunities between Head Start, TANF, and the Child Care Services Office.

Texas has given local boards increased authority to make rules and policy decisions on issues such as income eligibility limits (not to exceed 85 percent of the state median income), parent co-payments, and reimbursement rates.

Utah updated the eligibility tables to reflect the current state median income. The state also modified its subsidy eligibility forms and payments as part of its plan to move from a system where payments were issued directly to parents to a two-party check system where checks will be issued to parents and providers.

Vermont reinstated language in a budget bill that prohibits placing a cap on the child care subsidy program without seeking additional funds through the budget adjustment process. The state also made changes in eligibility requirements for child care so that families in Head Start programs are only subject to annual reviews and can remain eligible for a full year.

Virginia raised income eligibility to reflect the updated federal poverty level and implemented a new rule to require all children receiving child care assistance to be appropriately immunized, unless exempt for religious or medical reasons. The state also clarified the instances when a family who has received a TANF sanction can qualify for child care assistance. The current policy states that Virginia Initiatives for Employment not Welfare (VIEW—the state welfare-to-work

program) participants who have been sanctioned are not entitled to supportive services while in the sanction status. However, a VIEW participant who has been sanctioned can receive supportive services if such services are necessary to perform a verifiable act of compliance, including maintaining existing or new employment.

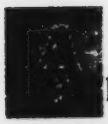
Washington implemented last year's income eligibility increase to 225 percent of the federal poverty level. The state also changed rules to allow any child support paid out of the household by an eligible family to be deducted when determining income eligibility.

West Virginia raised income eligibility from 150 percent to 200 percent of the federal poverty level.

Wisconsin raised initial income eligibility from 165 percent to 185 percent of the federal poverty level (after establishing initial eligibility, families remain eligible up to 200 percent of the federal poverty level). The state also expanded eligibility to children ages 13 to 18 with special needs. In addition, the state implemented several new rules regarding income determination, including: excluding child support income from calculations for eligibility for child care subsidy, allowing self-employed persons to only count their net income in determining their eligibility for child care assistance, and eliminating the asset test to determine eligibility.

Wyoming increased initial subsidy eligibility limits from 133 percent to 150 percent of the federal poverty level for transitional families. These families are allowed to remain eligible up to 185 percent of the federal poverty level. The state also reduced the number of resources such as property, stocks, bonds, and insurance policies to be counted in determining eligibility. (Previously, a family could not own more than $2,500 in resources, including the equity on vehicles.)

SUBSIDY CO-PAYMENTS



All states establish a sliding fee scale to determine co-payments for parents receiving child care assistance, but the methods for establishing the scale vary from state to state. The amount that parents are required to pay affects whether or not a family can find and afford quality child care. A poorly designed sliding fee scale can seriously undercut the effectiveness of child care assistance efforts. For example, a state can set co-payments so high that child care becomes unaffordable even for families receiving assistance, making it difficult for families to work. A sliding fee scale can also limit parent choice, putting the ability to choose the quality care parents want for their children out of reach, or can unfairly penalize parents who increase their earnings. On the other hand, a well-designed fee scale can make good care affordable to families while ensuring that the family contributes to the cost of that care, help parents choose from a range of viable options, and gradually prepare parents to take financial responsibility for their children's care as they become more capable of doing so.

According to recent Census data, non-poor families only pay an average of seven percent of their income for child care.[13] Low-income families should not be expected to devote a significantly higher proportion of their limited budgets to co-payments, and families with incomes below poverty should have minimal or no co-payments.

In 2000, 10 states took steps to reduce or eliminate co-payments across the board or adjusted their sliding fee scales to lower co-payments for particular categories of families, including **Arkansas, Maine, Maryland, Massachusetts, North Dakota, Ohio, Oregon, Pennsylvania, Wisconsin,** and **Wyoming.** Three states—**Maine, North Dakota,** and **Ohio**—implemented caps to ensure that no family pays more than 10 percent of their income for care. On the other hand, several states took steps backward. **Alabama** and **West Virginia** implemented new and/or increased co-payments from families. **Florida** revised its co-payment scales to require parents of children enrolled in prekindergarten programs to pay a co-payment.

New State Action 2000: State-by-State Details

Alabama established a co-payment for low-income families, regardless of JOBS or TANF status, unless a family's income is below a specific poverty threshold established by the state (determined by the amount of TANF received and family size), in which case the co-payment is eliminated.

Arkansas eliminated co-payments for all families earning up to 156 percent of the federal poverty level.

California updated its sliding fee schedule to reflect the current state median income.

Colorado updated its sliding fee schedule for families in many counties.

Delaware updated its sliding fee scale to reflect increased income eligibility limits.

The District of Columbia initiated a year-long study to examine the impact of various types of parent co-payment plans.

Florida revised co-payment rules to require parents of children attending prekindergarten programs funded by the school system to pay a co-payment for the first time. The rule change also allows local school readiness coalitions the flexibility to adopt a fee scale that may be different from the state scale used for the child care assistance program. While many of the coalitions have opted to incorporate the existing state sliding fee scale for child care assistance, some coalitions plan to implement a different scale. Communities cannot serve fewer children than were served as of November 1999 if they change their co-payment scales.

Indiana implemented a new sliding fee scale.

Kansas made its annual update to the sliding fee scale to reflect the current federal poverty level.

Maine capped the total family co-payment amount at 10 percent of the family's gross income regardless of the number of children in care.

Maryland implemented regulations to eliminate the co-payment for the fourth and subsequent children in a family.

Massachusetts updated the sliding fee scale to reflect the current state median income (previously, it was based on the 1992 state median income) and adjusted the parent fee

scale slightly, particularly for low-income families, to make the scale somewhat more progressive.

Nevada adjusted the sliding fee scale to reflect an increase in the poverty level and a slight decrease in the maximum eligibility level by family size.

North Dakota implemented a cap on the amount a family has to pay regardless of the number of children in care, primarily to help families who have a number of young children in child care. The state told the counties that administer the Child Care Assistance Program that "up-front" or "pay-in-advance" fees to providers for registration, for materials, or the first month's child care charge will be paid by the county offices.

Ohio revised its parent co-payment scale so that no family pays more than 10 percent of their gross monthly income for child care, and reduced the maximum number of children for which parents are charged a co-payment from three children in care to two.

Oregon decreased co-payments for all households with incomes at 120 percent to 185 percent of the federal poverty level with the goal of increasing the number of households who are paying 10 percent or less of their family income for child care.

Pennsylvania reduced parent co-payments by $5 to $15 per week for all families receiving child care assistance. The minimum co-payment of $5 per week still applies.

South Carolina updated the ABC Child Care Program's sliding fee schedule based on the current federal poverty guidelines. Depending on family size and income, families pay $3 to $11 per week, per child. Foster care parents and TANF participants receiving child care assistance are still not charged a co-payment.

West Virginia now requires a co-payment for each child in a family (up to three children). Previously, the family paid a co-payment only for the youngest child or the child who used child care the most.

Wisconsin reduced co-payments by 20 percent for all families receiving child care subsidies. The state also reduced co-payments for part-time child care (under 20 hours a week) and eliminated co-payments for children in foster care and those in court-ordered relative placements.

Wyoming reduced the co-payment for families at 115 percent of the federal poverty level from 35 cents to 20 cents per hour and reduced the co-payment for families at 133 percent of the federal poverty level from 50 cents to 35 cents per hour.

SUBSIDY REIMBURSEMENT RATES

The amount a state will reimburse providers who receive public funds has an enormous impact on parent choice and determines the quality of care that families are able to access. Low rates can lead many providers to refuse to accept children with subsidies. This limits parents' options, making it difficult for them to find a provider who is conveniently located and who can accommodate their work schedules, which can, in turn, jeopardize a parent's ability to get and keep a job. Low rates can also prevent a parent from being able to choose quality care for their children. This raises particular concerns since many low-income children are already in need of an extra boost during their early years to reduce the likelihood that they will fall behind in elementary school. Those providers who do stretch to offer care in spite of low rates will find themselves without the resources necessary to provide quality care.

The current market does not even reflect the cost of providing quality care since providers essentially subsidize the cost with their very low salaries and often lack resources to purchase needed equipment and maintain facilities. Therefore, states should at least move beyond the goal of setting rates at the 75th percentile of the current market rate and aim for the 100th percentile of the current market rate. This would expand parental choice by allowing families receiving assistance access to all providers in the community rather than just the three-quarters with the lowest rates.

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As a growing number of states are now doing, rates should also be adjusted to reflect variations in costs due to differences in the age of the child, the type of care, the geographic region, and the cost of providing higher quality care or care that is more difficult to find, such as odd-hour care. In some cases, states may implement differential rates as a way to increase reimbursement to providers when they are unable to raise rates across the board. However, a modest differential cannot sufficiently compensate for a rate that is far below the market rate. States should provide both adequate base rates as well as add-ons to encourage, reward, and support high quality and hard-to-find care, and not use one to substitute for another.

In 2000, 16 states raised reimbursement rates overall, including **California, Colorado, Delaware, Illinois, Iowa, Montana, Nevada, New Hampshire, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, West Virginia,** and **Wisconsin.** In addition, **Ohio** set new rates that were instituted on January 1, 2001.

Twenty-three states implemented or raised their differential reimbursement rates for accredited care or care in short supply, including **Arizona, District of Columbia, Georgia, Hawaii, Illinois, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, New Hampshire, New York, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas,** and **West Virginia.**

New State Action 2000: State-by-State Details

Arizona implemented enhanced rates for accredited providers that were approved in 1999. The enhanced rate can be up to 10 percent over the maximum reimbursement rate, not to exceed the rate charged to private paying parents.

California updated its market rate survey and adjusted reimbursement rates on a county-by-county basis.

Colorado adjusted rates on a county-by-county basis. Many counties, which are allowed to set their own rates within state parameters, chose to raise rates, including some that increased them to match the market rate.

Connecticut conducted a new market rate survey but did not adjust rates accordingly.

Delaware conducted a new market rate survey and increased reimbursement rates in the state's most populous county.

The District of Columbia implemented a tiered reimbursement system called "Going for the Gold," to increase reimbursement rates for providers based on seven quality indicators including: accreditation, compliance with licensing regulations, director qualifications and training, staff qualifications and training, staff compensation, parent involvement, consumer satisfaction, and learning

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environment. The system has three tiers—bronze, silver and gold. At the gold tier, providers receive a reimbursement rate based on a 1998 market rate survey. In addition, differential reimbursement rates for odd-hour care implemented in 1999 were updated to be consistent with the tiered system. The District provides an incentive of 10 percent more for evening care and 15 percent for care provided overnight, on weekends, and during holidays. The District also implemented a new toddler reimbursement rate to support the 1:4 child-staff ratio required for children ages two through two-and-a-half. Previously, the reimbursement rate for children ages two to two-and-a-half was the same as the preschool rate, which requires only a 1:8 ratio.

Florida gave local school readiness coalitions responsibility for setting payment rates for their local areas. Most coalitions used the recent market rate survey to set rates.

Georgia raised reimbursement rates for evening and weekend care for family child care and school-age care, primarily in urban areas. For example, the rate for evening infant family child care increased from $45 per week to $52 per week.

Hawaii implemented a tiered reimbursement system with higher rates for accredited and licensed care.

Illinois conducted a market rate survey (results are not yet published), awarded all community service providers a 2.5 percent cost of living adjustment in their reimbursement rates, and established a pilot program that includes an add-on for providers caring for children with special needs.

Iowa increased reimbursement rates based on the 1998 market rate survey. The Department of Human Services was required to review alternatives for applying child care reimbursement rates on a county, cluster, or regional basis and forward the report, with recommendations, to the legislature by December 15, 2000.

Kansas contracted to have a market analysis completed, which provided the state with information on current market rates. Rates are currently paid based on a 1998 market rate survey.

Kentucky established a child care quality rating system with cash incentives or bonuses for providers who reach certain levels of quality.

Maine updated its market rate survey in March 2000. Rates for child care in contracted agencies were increased/capped at the market rate for the state's largest metropolitan county. The state also introduced rate adjustments for accredited programs, children with special needs, and children served during nontraditional hours. The state has allowed family child care providers with a Child Development Associate (CDA) credential certification or a Bachelor's or Associate's degree in early childhood education to be eligible for the same increased reimbursement rates as accredited providers.

Maryland raised reimbursement rates for providers caring for children during odd-hours—on weekdays between 7:00 p.m. and 6:00 a.m. or anytime on a weekend. These providers will be paid a differential between five percent and 15 percent above the child's authorized rate, depending on the number of hours the child is in care.

Massachusetts updated its market rate survey and approved a total of $25 million for rate

increases to be linked to the development of state-approved literacy standards (program requirements for literacy activities and curricula). To receive the rate increase, providers are required to document their work in one or more of four quality improvement areas: literacy curricula, professional development of staff, self-evaluation (using ECERS, ITERS, FOCERS, or SACCERS), and a willingness of their parents to possibly participate in a future longitudinal study. A portion of the rate increase is tied to each of these categories with the literacy component representing the largest portion of the available increase.

Michigan's FY 2001 Family Independence Agency (FIA) budget includes a $16.7 million appropriation for a reimbursement rate increase for infant and toddler care providers.

Mississippi changed the criteria that providers must meet to receive differential rates for higher-quality care. Providers must now either obtain NAEYC (National Association for the Education of Young Children) accreditation or have an on-site director with a degree in early childhood development to be eligible for Tier I status.

Missouri added two more differential rates—one for centers serving a disproportionate share of low-income children and one for centers serving children with special needs. The differential structure includes an increase of 30 percent over the base reimbursement rate for centers serving a disproportionate share of low-income children, 25 percent for special needs care, 20 percent for accreditation, and 15 percent for odd-hour care. The incentives are cumulative. For example, an accredited center serving a disproportionate share of low-income children receives 50 percent over the base reimbursement rate.

Montana raised rates to the 75th percentile of the market rate. The state also created differential rates for higher quality care.

Nevada adjusted rates to reflect a new market rate survey.

New Hampshire raised rates across the board by five percent in January 2000 and by an additional five percent in September 2000. The new rate structure includes a higher reimbursement rate for providing care to children with special needs that will be $4 per day above the standard rates.

New Jersey's Governor pledged an increased reimbursement rate in the Abbott district preschools, which are court-mandated to provide preschool for all three- and four-year-olds, from $8,000 per child to $9,000 per child.

New York updated its market rate survey and implemented new rates. The new rates allow counties to pay a 15 percent differential to accredited programs. The state also approved differential reimbursement rates for odd-hour care.

North Carolina passed a law requiring the state to conduct a market rate study every two years to determine the 75th percentile of private fees paid by type of care and the level of star rating under its newly implemented licensing system. Rates must be updated within six months of the end of the study with the law requiring the Department to set interim rates until it can complete its next survey. Starting September 2000, the state paid new reimbursement rates based on data collected in 1997. Since the star rating system is new, and therefore data are not yet available about the rates charged by programs at each level, the state used its previous system as a

basis for setting rates, making upward adjustments for higher ratings.

The state also passed legislation to eliminate the quality bonuses that the Division of Child Development (DCD) had paid on top of subsidy reimbursements to providers who achieve the higher standards for two- to five-star licenses. In their place, DCD is implementing higher market rates for higher star-rated licenses and recommending that local Smart Start partnerships pay quality bonuses to providers whose private rates are less than the market rates. (This is designed to help providers in low-income communities who cannot ask private paying parents to pay high rates. As a result, these providers offer relatively low rates that limit their ability to provide high quality care.)

North Dakota will now pay higher fees for infant and toddler care and center-based care.

Ohio conducted a market rate survey and, effective January 1, 2001, rates were increased to reflect the 75th percentile of the survey results. The state also set a maximum of 10 paid absent days per six-month period per child/per provider, for days that the provider would have provided care for the child if the child had been present.

Oklahoma implemented rate increases of $1 to $3 per day per child for all child care homes and centers. A new rate level was created to reward programs making the transition from one-star to two-star status. Market rate survey results were used to move more counties into the high and medium geographic rate areas. New regulations also allow providers caring for children whose parents work 40 hours in three or four days per week to receive the same weekly reimbursement rate as providers caring for children five days per week. In addition, the reimbursement paid to providers caring for children with disabilities was changed from a flat rate to an add-on rate. This allows the child care program to receive its regular rate that reflects the child's age, geographic rate area and star status as well as the add-on rate of $14 per day for a child with severe needs or $8 per day for a child with moderate needs. Lastly, the reimbursement rate for providers caring for children in the child's own home changed from $7 per day for the first child to 90 percent of the family child care home rate.

Oregon conducted a market rate survey and implemented an increase in rates for children with special needs based on individual assessment.

Pennsylvania increased rates by 14 percent, moving the county-based ceilings to approximately the 75th percentile of the market rate.

Rhode Island increased rates to the 75th percentile of a 1998 market rate survey as part of the 1998 Starting Right Initiative, which requires that a new market rate survey be conducted each year.

South Carolina increased the maximum weekly rates to reflect a local market rate survey and included a $5 per child/per week quality incentive bonus for child care providers voluntarily meeting the higher standards of the ABC Child Care Program.

South Dakota increased the rates paid to specialized infant/toddler homes and for children with special needs. For family child care providers who choose to care for six or fewer children, the rates were increased for infants up to age one from $1.80 to $2.30 per hour and for children older than age one from $1.50 to $2 per hour. For a child care

provider caring for a child with special needs, the rate increased from $2.50 per hour to $3 per hour.

Tennessee conducted a new market rate survey and raised rates to the 70th percentile. The state is also implementing tiered reimbursement rates tied to a new tiered licensing system.

Texas amended state policy to require local boards to consider the market rate survey and "provide equal access," but deleted the requirement for local boards to set rates at the 75th percentile. The boards were also directed to offer at a minimum, a five percent higher rate than the local board's maximum rate (not to exceed rates charged to private paying parents) for designated programs that reach state-defined measures of quality programs. Some localities have chosen to set their reimbursement differential above five percent.

Utah modified its subsidy eligibility forms and payments as part of its plan to move from a system, where payments were issued directly to parents, to a two-party check system where checks are issued to parents and providers.

Virginia conducted a new market rate survey.

Washington conducted a new market rate survey.

West Virginia increased reimbursement rates by $1 to $4 per day to reflect a new market rate survey and take into account the age of the child and the type of care. In addition, the state established an incentive of up to an additional $4 per child per day for accredited centers, $3 per child per day for odd-hour care, and $2 per child per day for infants and toddlers if the provider successfully completes new infant/toddler training.

Wisconsin increased reimbursement rates by an average of six percent. The state continued to set maximum reimbursement rates for each county at the 75th percentile of private child care prices, based on an annual market survey in 72 counties, with a 10 percent higher maximum rate for accredited child care.

Table 1. State Child Care Differential Reimbursement Rates for Higher Quality Care*

State	Does the state pay differential reimbursement rates for higher quality care?
Alabama	No
Alaska	No
Arizona	Yes
Arkansas	No
California	No
Colorado†	Yes
Connecticut	Yes
Delaware	No
District of Columbia	Yes
Florida	Yes
Georgia	No
Hawaii	Yes
Idaho	No
Illinois	No
Indiana	No
Iowa	No
Kansas	No
Kentucky	Yes
Louisiana	Yes
Maine	Yes
Maryland	No
Massachusetts	Yes
Michigan	No
Minnesota	Yes
Mississippi	Yes
Missouri	Yes
Montana	Yes
Nebraska	Yes
Nevada	No
New Hampshire	No
New Jersey	Yes
New Mexico	Yes
New York†	Yes
North Carolina	Yes
North Dakota	No
Ohio	Yes
Oklahoma	Yes
Oregon	Yes
Pennsylvania	No
Rhode Island	No
South Carolina	Yes

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Table 1. State Child Care Differential Reimbursement Rates for Higher Quality Care* *(continued)*

State	Does the state pay differential reimbursement rates for higher quality care?
South Dakota	No
Tennessee	No
Texas	Yes
Utah	Yes
Vermont	Yes
Virginia	No
Washington	No
West Virginia	Yes
Wisconsin	Yes
Wyoming	No

* This could be for NAEYC-accredited care, care that meets state accreditation standards, and/or care that meets state standards for higher quality care.

† Differential rates for accredited care are allowed on a county-by-county basis.

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TAX CREDITS

Tax credits can be a useful approach to helping families pay for child care, encouraging higher quality care, and expanding the supply of care. To date, most of the activity on tax policy has focused on credits to assist parents with the cost of child care with some modest steps to use business tax credits to encourage greater investments by the private sector.

While child care tax credits can give parents additional resources to cover their child care costs, if the credits are not refundable they are not accessible to many low-income families who have limited tax liability. At the same time, it is unclear what impact has been made by the limited use of business tax credits in states where they have been made them available.

Twenty-six of the 42 states with an income tax have a child care tax provision for parents. Yet, only 10 states truly meet the needs of low-income working families by making the credit refundable. **California** enacted a refundable tax credit this year, joining **Arkansas, Colorado, Hawaii, Iowa, Maine, Minnesota, Nebraska, New Mexico**, and **New York**. Two states—**Illinois** and **Maine** enacted new tax credits for businesses that support child care and early education.

NEW STATE ACTIONS 2000: STATE-BY STATE DETAILS

California enacted a refundable child care tax credit based on a percentage of the federal child and dependent care credit. The amount of the credit is: 18.9 percent of expenses for families with incomes up to $10,000; 12.6 percent of expenses for families with incomes of $28,000 to $40,000; 10.6 percent of expenses for families with incomes of $40,000 to $70,000; and 8.4 percent of expenses for families with incomes of $70,000 to $100,000. The credit is phased down from 18.9 percent to 12.6 percent for families with incomes between $10,000 and $28,000. Families with incomes over $100,000 are ineligible for the credit. If a family's credit is larger than the amount of tax owed, the difference will be paid in the form of a refund. This is the state's only refundable tax credit. The estimated cost for the credit is $195 million in 2000–2001, with similar amounts expected in future years.

Colorado increased its refundable tax credit with the use of surplus tax dollars. Parents who currently claim up to one-half of the federal Dependent Care Tax Credit can now claim 70 percent of their federal credit. Families' eligibility for the state credit will be increased from $60,000 to $64,000 annually. In addition, family child care providers will be eligible for a $200 tax credit for their own children under age 13. Also, any taxpayer who makes a monetary contribution to promote child care in the state is allowed a tax credit equal to 50 percent of the value of the contribution.

Illinois enacted a tax credit for corporations that directly subsidize their employees' child care costs or provide and operate (independently or in partnership with other corporations) a child care facility for children of employees.

Maine approved an Earned Income Tax Credit set at five percent of the federal credit. The new tax law also allows parents who enroll their children in an accredited child care program to double their state child care tax credit. In addition, employers supporting accredited child care as part of their employee assistance program can double their child care tax credits, and investors who support accredited child care can double their investment tax credits. The state has allowed family child care providers with a CDA certification, or a Bachelor's or Associate's degree in early childhood education, to be eligible for the same tax incentives as accredited providers as well as increased reimbursement rates.

New York increased the state Dependent Care Tax Credit and increased the state Earned Income Tax Credit.

Texas implemented a franchise tax credit for employers supporting child care for their employees.

Table 2. State Child Care Tax Provisions for Parents

State	Does the State Have a Tax Provision for Parents?
Alabama	No
Alaska*	N/A
Arizona	No
Arkansas	The state has a refundable tax credit.
California	The state has a refundable tax credit
Colorado	The state has a refundable tax credit.
Connecticut	No
Delaware	The state has a tax credit that is not refundable.
District of Columbia	The state has a tax credit that is not refundable.
Florida	N/A
Georgia	No
Hawaii	The state has a refundable tax credit.
Idaho	No
Illinois	No
Indiana	No
Iowa	The state has a refundable tax credit.
Kansas	The state has a tax credit that is not refundable.
Kentucky	The state has a tax credit that is not refundable.
Louisiana	The state has a tax credit that is not refundable.
Maine	The state has a refundable tax credit.
Maryland	The state has a tax deduction and a tax credit that is not refundable.
Massachusetts	The state has a tax deduction.
Michigan	No
Minnesota†	The state has a refundable tax credit.
Mississippi	No
Missouri	No
Montana	The state has a tax deduction.
Nebraska	The state has a refundable tax credit.
Nevada	N/A
New Hampshire	N/A
New Jersey	No
New Mexico	The state has a refundable tax credit.
New York	The state has a refundable tax credit.
North Carolina	The state has a tax credit that is not refundable.
North Dakota	No
Ohio	The state has a tax credit that is not refundable.
Oklahoma	The state has a tax credit that is not refundable.
Oregon	The state has two tax credits that are not refundable.
Pennsylvania	No
Rhode Island†	The state has a tax credit that is not refundable.
South Carolina	The state has a tax credit that is not refundable.

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Table 2. State Child Care Tax Provisions for Parents *(continued)*

State	Does the State Have a Tax Provision for Parents?
South Dakota	N/A
Tennessee	N/A
Texas	N/A
Utah	No
Vermont†	The state has a tax credit that is not refundable.
Virginia	The state has a tax deduction.
Washington	N/A
West Virginia	No
Wisconsin	No
Wyoming	N/A

N/A = State does not have an income tax.

* Alaska has no income tax, but statutory authority for a refundable tax credit is subject to a legislative appropriation. That appropriation has not been made.

† Family child care providers in Minnesota can claim the maximum tax credit for caring for their own child under age six. Married couples without employment-related child care expenses can claim the maximum credit for a child under age one.

† Rhode Island and Vermont calculate state tax liability as a percentage of federal tax liability after the federal Child Care Tax Credit (which itself is nonrefundable) is applied, effectively creating a state child care tax credit.

Sources: CDF survey of state child care administrators, July 1999, updated June 2000; and National Women's Law Center, *Recent Changes in State Child and Dependent Care Tax Provisions: Tax Year 2001* (January, 2001), www.nwlc.org.

Data accurate as of June 1, 2000, and reflect tax provisions in effect for tax year 2001.

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TRAINING AND COMPENSATION INITIATIVES

Across the country, child care directors share the growing challenge of recruiting and retaining qualified staff. Considering that a child care provider's average salary is only $15,430 a year,[14] it is exceedingly difficult to keep classrooms adequately staffed, much less with well-trained teachers. Yet, the single most important factor in determining the quality of care is the interaction between a caregiver and a child. A new report by the National Research Council's Committee on Early Childhood Pedagogy, *Eager to Learn: Educating Your Preschoolers*, recommends that early childhood teachers have a Bachelor's degree in early childhood.[15]

Several states now recognize the need to address this staffing crisis, particularly given the proven link between teacher education and high quality early learning. Some have taken initial steps to improve wages and benefits for child care providers. In 1998, **North Carolina** enacted WAGE$,™ an initiative that provides a modest amount of funds to supplement the wages of caregivers who already have early childhood education credentials. In 2000, three states, **California, Illinois,** and **New York,** followed North Carolina's lead by enacting similar initiatives. While quite modest, ranging from a $3 million to a $40 million investment, they represent a growing awareness that it will remain nearly impossible to recruit and retain trained caregivers without offering adequate compensation.

In addition, as of 2000, 17 states had adopted (or had plans to adopt) the model of North Carolina's T.E.A.C.H. Early Childhood® Project. T.E.A.C.H.® is an umbrella for various scholarship programs that encourage providers to receive additional training and education and to work towards receiving a

child care credential. Child care providers who agree to complete a specified amount of education receive a scholarship covering a large share of tuition, book and travel costs, and paid release time, in some cases. Caregivers are then awarded additional compensation in the form of a raise or bonus if they commit to continue working in their child care program for a specific period of time. Eight states, **Florida, Hawaii, Missouri, North Carolina, Pennsylvania, South Carolina, Washington,** and **Wisconsin,** either began or expanded their T.E.A.C.H.® program in 2000. **Massachusetts** took a systemic approach through its higher education system to help providers obtain new education credentials by subsidizing tuition in state institutions of higher learning. **Kentucky, Maryland,** and **Montana** instituted other unique efforts to encourage caregivers to get additional training or education.

Not only are providers paid low wages, they also unlikely to receive benefits such as health insurance, retirement, or sick leave. Very few states have taken steps to address this issue. **Rhode Island** made more child care staff eligible for health insurance by expanding health care coverage to providers working at centers where at least 40 percent of the children receive child care subsidies.

New State Action 2000: State by State Details

Arizona's Head Start Collaboration Advisory Council is developing a statewide early care and education training registry as part of its overall Early Care and Education System.

Arkansas increased funding for Child Development Associate (CDA) scholarships and developed a new certificate and specialist program.

California passed CARES legislation that provides $15 million to increase compensation for staff working in child care centers that receive contracts from the state for low-income children. The funds will be distributed to local planning councils that will develop a plan for distribution and administer the funds.

Colorado implemented a voluntary professional development credential on a limited basis. Funds were distributed to 12 pilot community planning councils for wage supplements for child care providers.

Connecticut continued to offer additional providers the first 15 hours of training free in the Connecticut Charts-A-Course program (the program provides training and scholarships to qualified providers). Local School Readiness Councils, although lacking additional funds, enhanced their training initiatives to reach unregulated providers.

Delaware increased funding for provider training, offered training in additional skill areas, added an "I Can Problem Solve" mentoring project, and began offering an advanced-level core curriculum. In addition, the Division of Services for Children, Youth and Families contracted with the University of Delaware to develop a for-credit college course in a community-based setting for providers working with infants and toddlers.

The District of Columbia Mayor's Advisory Committee on Early Childhood Development established a task force on retention and compensation for child care providers. The task force added questions to the 2000 market rate and capacity utilization study that focused on compensation, retention and benefits. In addition, child care providers who earn a CDA credential now receive a bonus or a salary increase. The District also revised its trainer certification program to reflect the amount of recent training experience the trainer has received as well as to define specializations in training skills, published new materials about the program, and established the Child Development Specialist Apprenticeship Program. The Apprenticeship program includes standards approved by the D.C. Apprenticeship Council.

Florida expanded the T.E.A.C.H.® program by $1 million from the Child Care and Development Block Grant (CCDBG), bringing total funding to $3 million.

Georgia instituted the Professional Development Registry to track training received by providers (over 10,000 providers have already registered). Quality set-aside funds were also tied to a commitment on the part of the centers receiving funds to pursue accreditation or additional training above and beyond the required training. An initiative with the Department of Training and Adult Education, Office of School Readiness, Georgia Early Learning Initiative (GELI), and the Department of Family and Child Services was created to increase the number of child development classes with a focus on articulation in technical schools around the state.

Hawaii established a program similar to T.E.A.C.H.® authorizing scholarships to improve educational levels.

Illinois passed legislation to establish a $3 million Great START (Strategy To Attract and Retain Teachers) provider compensation program similar to North Carolina's Child Care WAGE$™ Project. The state also supported the development of an Illinois Director's Credential.

Indiana is developing a web-based instruction model for child care providers in cooperation with IvyTech State College, St.Mary's of the Woods, and Head Start. Scholarships for this new learning option will be funded through T.E.A.C.H.® and the Indiana Child Care Fund, Inc., the state's public-private partnership.

Iowa implemented the State Child Care Advisory Council quality initiatives. The Child Care and Early Education Professional Development Project, in collaboration with the State Child Care Advisory Council, the Iowa Child Care and Early Education NetWork and the state Department of Human Services, sponsored a statewide planning event to develop a proposal for a training and compensation project for center and family child care providers. The Department of Education was awarded a grant for the Child Care Apprenticeship Project funded by the U.S. Department of Labor.

Kansas initiated the Early Childhood Associate Apprenticeship Grant. Child care centers in the educational jurisdiction of Butler County Community College and Emporia State University are work sites partnering in this pilot project. Approximately 50 apprentices will enter the pilot with a goal of completing 4,000 hours of on-the-job training and 20 credit hours of education within two years. The Kansas Department of Human Resources has been working cooperatively with Social and Rehabilitation Services to register work site sponsors. In addition, the

Head Start Collaboration Office Grant provided funding to extend the Professional Development Initiative Learning Cluster concept statewide. Kansas also identified five sites to implement the T.E.A.C.H.® pilot project; scholarships will be awarded to students beginning in January 2001.

Kentucky established a child care scholarship program for providers entering the field with a cash stipend for completing classes and developed at least three credentials—one for directors, one for entry-level child care staff and one for trainers. Child care staff must work at least 20 hours a week and enroll in an eligible training or education program, and child care programs must pay up to $50 dollars per semester for books for each participating staff member. A scholarship workgroup is establishing the remaining details of the fund.

Maine increased the training supplement for child care providers to nearly $400,000 in order to implement Maine Roads to Quality (the state's child care and early education career development center). The state also increased funding for its 11 child care resource and referral agencies in order to coordinate the curriculum and provide supports to child care providers seeking to advance their education. In addition, the state was awarded the Child Care Apprenticeship Project grant funded by the U.S. Department of Labor.

Maryland began developing a Maryland Child Care Credential Program. Providers will receive training and technical assistance to help them achieve the credential, which consists of six levels, beginning with Level One licensing requirements and culminating with Level Six, which requires a Bachelor's degree (or higher) in early childhood education, elementary education, or a related field. The credential is built on a Core of Knowledge which covers six areas—child development, curriculum, professionalism, special needs, community, and health, safety and nutrition. Child care providers participating at Level Two and higher must complete a specified number of training hours in each Core of Knowledge area, participate in professional child care-related activities, commit to remain in the field for at least a year, and take continued training at a higher level than licensing requires. Incentives will be offered to providers, including: an achievement bonus for each level of credential met, training vouchers to help defray the cost of the additional training requirements, mentoring, and differential accreditation support for programs. The initiative also provides higher reimbursement rates (through a tiered-rate system) for providers participating in the credentialing program or those pursuing program accreditation who serve children receiving child care assistance.

Massachusetts made approximately $9 million in unused contracted child care dollars available as one-time quality awards to programs serving children receiving child care assistance; approximately $6 million was awarded and the remaining $3 million reverted to the state's general fund. Programs were required to document their quality improvement activities to receive the funds, which had to be distributed as salary bonuses. The Massachusetts Board of Higher Education will also offer tuition remission for state institutions of higher learning, including four-year community colleges for any field under the Executive Office of Human Services (including child care). To be eligible for the remission, individuals must be employed in a program that has a contract with the state

where a majority of the children in the program are funded by the state. If a participant is in a degree program, two- or four-year, all tuition is remitted. If a participant is in a continuing education program, one-half the tuition is remitted (not including program fees).* The program will be administered by the Council of Human Service Providers.

Minnesota made changes to staff licensing provisions to create three tiers of training requirements. Depending on a provider's educational background, he/she will now be required to complete annual in-service training equivalent to one percent, 1.5 percent or two percent of their working hours.

Mississippi allocated $20.3 million within the TANF block grant funds for child care quality enhancement grants to 172 centers which included components for staff training. The state also awarded the first 50 scholarships, to caregivers who wish to earn a two-year degree in early childhood development, for use in the summer or fall 2001 semester. The scholarship will cover tuition, fees, books, transportation, and the substitute staffing costs necessary to attend classes during the day.

Missouri's state Department of Health supported work done through the Opportunities for Professional Education Network (OPEN), a statewide effort to improve staff training and link training to compensation. The Division of Social Services also offered a new round of Request-for-Proposals to support quality enhancement through training for providers. Funded only by private dollars, T.E.A.C.H.® is now being piloted in three areas of the state.

* In a four-year degree program tuition and program fees are about the same, but the program fees are much smaller at a community college.

Montana increased support for the career development system by linking eligibility criteria for training grants and merit pay to participation in the practitioner registry and providing $75,000 in scholarships for CDA credentials, NAEYC and National Association for Family Child Care (NAFCC) accreditation fees, undergraduate coursework, and graduate degrees. In addition, the state received an Apprenticeship Training Grant from the U.S. Department of Labor and implemented an apprenticeship program linked to CDA. The state also instituted new regulations that require all licensed and registered providers to have eight hours of approved training annually. Training is approved though the career development system located at the Montana Early Childhood Project at Montana State University.

Nebraska used federal quality dollars to expand the efforts of its 14 Regional Training Projects funded through the Nebraska Department of Education. The grant terms that govern these projects were extended from an annual renewal to a period of three years, allowing greater opportunities for long-range regional planning, coordination, and training. The state also expanded a management training course about best business practices geared toward directors and home providers to reach greater numbers of providers. In November, the state hosted a three-day training session on using the various rating scales. One hundred or more individuals were trained to administer the Clifford-Harms Infant/Toddler, Early Childhood, and School-Age Care Environmental Rating Scales (ITERS, ECERS, and SACERS) and the family-based scale as well. Developed by the Frank Porter Graham Institute in North Carolina, the environmental rating scale is an observational tool used to assess

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the level of quality in a program based on several environmental factors.

Nevada completed the first of a series of training videos available to child care providers across the state through a grant with the Maternal and Child Health Division of the U.S. Department of Health and Human Services. The state also gave scholarships to providers to take classes at community colleges and universities, sent child care professionals to the second half of a WestEd training, offered scholarships to the Nevada AEYC Early Childhood Conference, and sponsored a university infant/toddler course and provided scholarships to attend. The state is setting up a model child care program through the Welfare Division at the Professional Development Centers in the north and the south and is establishing satellite locations to expand access to community college and university classes. Using CCDBG quality funds, the state established a child care apprenticeship program as well.

New Hampshire sponsored an infant/toddler graduate-level course free of charge to participants who agreed to increase their infant/toddler slots. Participants also received a mini-grant to assist in opening the new slots.

New Jersey is in the process of complying with a State Supreme Court order in the case of *Abbott v. Burke*. This decision mandates that existing staff members in community-based centers subcontracting with the 30 poorest school districts (known as Abbott districts) to provide prekindergarten must obtain their Bachelor's degree and Preschool-through-Grade-3 endorsement (P-3) by September 2004. New hires must already have earned their Bachelor's degree and must receive their P-3 endorsement by September 2001.

New York enacted the Quality Child Care and Protection Act, which includes a measure to make available $40 million in one-time-only grants for salary enhancements and professional advancement. To be eligible for the plan, employees and operators must have worked full-time for at least 12 months, spend 50 percent or more of their time on direct care or support duties, and make less than the average salary of a kindergarten teacher ($42,000 a year). Six months after applying and as long as funds are available, eligible applicants will receive $750 if they hold an Associate's degree in child care or a Bachelor's degree or higher degree in any field; $500 if they do not meet these requirements but do have a child development credential or an equivalent certificate in a field related to child care or an Associate's degree in any field; and $300 for all other workers who meet certain eligibility criteria. Eligible programs include licensed and registered child care centers, group family child care homes, family child care homes, and school-age child care programs. The program is only authorized for one year and must be reconsidered by the legislature to continue.

North Carolina increased funding for the T.E.A.C.H.® Early Childhood Program by $400,000 in expansion money from the state legislature, bringing total state funding to $2.5 million. In addition, the state conducted other training and school-age related projects, including leadership education training for child care providers and other emerging leaders in the early childhood and school-age care fields. Information on school-age children was also added to a *Guide to Outdoor Learning*.

North Dakota implemented a new training and resource division through the resource and referral system. The Jumpstart program,

which provides basic center staff training, renewed a push for infant/toddler training, coordinated tribal and state programs to enhance training on the tribal level, and is using statewide needs assessment evaluation tools. Peopleware software is used to track training registration and keep a registry of early childhood professionals.

Oklahoma awarded almost 1,000 T.E.A.C.H.® scholarships in the first nine months of the program's operation. A contract with the Oklahoma Regents for Higher Education provided funding to the state's 10 two-year colleges. The colleges hired scholar coordinators to recruit, enroll, and mentor child care providers toward obtaining their CDAs and Associate's degrees in early childhood education. Satellite broadcasts on the topics of "Understanding the Effects of Trauma on Children" and "Conflict Resolution" were attended by over 2,500 child care providers across the state. A two-day conference on mental health issues in child care attracted 600 participants. Resource and referral specialists were trained in the "Dollars and Sense" curriculum to be offered statewide. The Center for Early Childhood Professional Development piloted a 20-hour entry-level child care course for new teachers and trained 82 course trainers. The center maintained a registry of 283 consultant/trainers who offered 1,692 Child Care Careers courses, specialized workshops and on-site technical assistance, completed 467 CDA Advisor or CCP Field Counselor observations, and conducted 353 ECERS or other rating scale evaluations.

Oregon granted funds to a state-level training workgroup to begin mapping the availability of provider training in the state. The state is also working with the Oregon Insurance Commission to develop low-cost medical insurance for providers.

Pennsylvania increased funding for T.E.A.C.H.® by $1 million to expand it from $500,000 in FY 1999–2000 to $1.5 million in FY 2000–2001. It is estimated that this will increase the number of scholarships from 150 in FY 1999–2000 to 450 in FY 2000–2001. The state also used FY 2000–2001 quality money for additional training and projects selected through an RFP process. In addition, with $1.6 million in FY 1999–2000 and $1.6 million in FY 2000–2001, the state is planning a CyberStart program of supplying hardware, Internet access, and specialized software—and the training to use these—to child care centers and staff. The focus will be on software programs for staff training in the care and development of children and on software that the teachers can use with the children.

Rhode Island expanded health care coverage for child care providers to centers where at least 40 percent of the children receive child care subsidies (previously, the requirement was 50 percent). An additional $232,000 was also appropriated to further expand the HOPE Initiative—an initiative to develop a career lattice, statewide training calendar, core standards, and a scholarship program.

South Carolina allocated $914,000 to the Center for Child Care Career Development at the Office of First Steps to School Readiness to begin implementing the T.E.A.C.H.® scholarship program. The scholarships, which are available to all eligible caregivers, directors, and family/group providers in the ABC Child Care Program, cover 80 percent of tuition and help pay for books and travel. The employer and the caregiver or director must agree to each pay 10 percent of the tuition. In addition, a caregiver or director who earns the new South Carolina Early Childhood Credential will be awarded a $200 salary

bonus. T.E.A.C.H.® scholarships can be used at all 16 South Carolina technical colleges.

South Dakota increased funding for the Early Childhood Enrichment Training System to support five hub sites for training and technical assistance for child care providers. Child care referral services are also offered at these sites. In addition, the South Dakota Pathways to Professional Development initiative was developed for practitioners who work in child care, Head Start, and school-age care settings as well as other youth development programs that serve the needs of children and families. The goal of the Pathways Project is to provide professional support and public recognition of practitioners who actively pursue continuing education and demonstrate a professional commitment to working with children and families. The project has two major components—a Career Lattice and a Career Lattice Registry.

Tennessee increased its annual post-employment training requirements for both directors and teachers. Directors' ongoing training hours increased from 12 to 18 and teachers' hours increased from 6 to 12. Training will be supported by additional funding for the Tennessee Early Childhood Training Alliance.

Utah implemented the Start System for rating child care providers based on training, experience, and compliance with licensing regulations.

Vermont appropriated $50,000 to support substitutes so that providers can access professional development opportunities. The state also received a U.S. Department of Labor grant to establish the Child Care Apprenticeship Program and a Child Care Welfare Trust Fund.

Washington used TANF reinvestment funds for several quality and capacity initiatives, including for the development of a curriculum and training of caregivers who care for children whose parents are substance abusers, and a wage and career ladder for licensed center staff to increase training and retention. The state also implemented a 10-hour annual training requirement for all licensed child care providers through the WA STARS training and registry system, which tracks providers' training activities. Several quality grants were given to individual communities to increase the availability of training, scholarships, and mentoring. In addition, the City of Seattle and a private foundation established the initial funding for T.E.A.C.H.® Early Childhood Washington, which plans to seek state dollars to expand statewide. The Child Care Coordinating Committee dedicated $60,000 annually from the CCDBG for scholarships for child care providers to attend professional conferences. The state was also awarded a federal apprenticeship grant.

West Virginia developed training for infant/toddler providers through the Training Connection, a collaborative training system utilizing funds from the U.S. Office of Maternal and Child Health, U.S. Department of Health and Human Services, West Virginia Office of Social Services, and West Virginia Department of Education. Individual providers successfully completing the training receive a salary bonus, and centers receive a higher subsidy reimbursement rate. Tuition money is also available for those who have completed the Apprenticeship for Child Development Specialist program and want to work toward an Associate's degree.

Wisconsin increased funding by $3.2 million for the T.E.A.C.H.® Early Childhood Wisconsin program, providing scholarships and bonuses to child care workers pursuing further education. The state also allocated $11 million for a grant program to fund local efforts to improve the quality and supply of child care; several of these initiatives funded training or benefits for child care staff. In addition, $15 million was allocated over the biennium for the new Early Childhood Excellence Initiative, which establishes state-of-the-art Early Childhood Excellence Centers in low-income neighborhoods, to provide high quality child care to at-risk children ages birth to four. The initiative includes major efforts to increase provider training.

Wyoming created a statewide technological training calendar and a statewide trainer registry, and expanded the WestEd Curriculum for infant and toddler caregivers.

Table 3. States with T.E.A.C.H.® or T.E.A.C.H.®-like initiatives

State	Does the state have a T.E.A.C.H.® or T.E.A.C.H.®-like initiative?
Alabama	No
Alaska	No
Arizona	No
Arkansas	No
California	No
Colorado	Yes
Connecticut	No
Delaware	No
District of Columbia	No
Florida	Yes
Georgia	Yes
Hawaii	Yes
Idaho	Yes
Illinois	Yes
Indiana	Yes
Iowa	No
Kansas	Yes
Kentucky	No
Louisiana	No
Maine	No
Maryland	No
Massachusetts	No
Michigan	No
Minnesota	No
Mississippi	No
Missouri	Yes
Montana	No
Nebraska	No
Nevada	No
New Hampshire	No
New Jersey	No
New Mexico	No
New York	Yes
North Carolina	Yes
North Dakota	No
Ohio	No
Oklahoma	Yes
Oregon	No
Pennsylvania	Yes
Rhode Island	No
South Carolina	Yes

continued on the next page

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Table 3. States with T.E.A.C.H.® or T.E.A.C.H.®-like initiatives *(continued)*

STATE	Does the state have a T.E.A.C.H.® or T.E.A.C.H.®-like initiative?
South Dakota	No
Tennessee	No
Texas	No
Utah	No
Vermont	No
Virginia	Yes
Washington	Yes
West Virginia	No
Wisconsin	Yes
Wyoming	No

* T.E.A.C.H.® is an umbrella for various scholarship programs that encourage providers to receive additional training and education and to work towards a child care credential. Child care providers agree to complete a specified amount of education and in return receive a scholarship that covers a large share of tuition, books, and travel costs, and paid release time, in some cases. Caregivers then receive additional compensation in the form of a raise or a bonus and agree to continue working in their child care program for a specific period of time.

Source: Data in this table are based on information provided by Susan Russell, Child Care Services Association, North Carolina, 2000, and verified by states.

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CHILD CARE FACILITIES

Ensuring the availability of quality child care and early education programs requires that programs have the funding necessary to provide adequate facilities. Programs face high rents and real estate prices, especially in a strong economy. Space that is specifically designed for early childhood programs is particularly costly.

Without receiving additional resources for facilities, most programs cannot afford market rates for real estate, much less the additional expenses involved in either rehabilitating or building a space that meets the physical requirements to support quality programming. Consequently, facilities are often inadequate, poorly located, or simply unavailable. This is a particular problem in low-income communities.

Lack of appropriate facilities is not only a supply issue. The arduous classroom management and physical maintenance associated with poorly planned and ill-equipped facilities are believed to contribute to teacher burnout and high turnover. These problems can be alleviated by providing financial support for quality facilities. State initiatives to provide funds for facility construction, compliance, and renovation are therefore key to promoting quality in early childhood environments.

State investments in facilities are especially important since Child Care and Development Block Grant (CCDBG) funds may not be used for construction. In 2000, several states made progress on this front by offering loans or grants either for new facilities or to improve existing ones.

New State Action 2000: State by State Details

Arkansas set aside $3.9 million in local TANF block grant funds to expand and improve child care and to help providers meet revised playground standards that will be implemented in January 2001.

California included $55.2 million for its Child Care Facilities Revolving Fund in the FY 2000–2001 budget, the majority of which was transferred from the state general fund account, and added $16 million to a direct loan facilities fund for subsidized centers only. The state passed additional legislation to provide $42 million in one-time-only funds for loans and grants for facility repair and renovation, including playground upgrades and accessibility improvements. In addition, $9.9 million in quality funds was allocated to support the renovation and repair of facilities.

Connecticut appropriated $1 million in debt service to assist facilities approved to participate in the Child Care Facilities Loan Fund, which is administered by the Connecticut Department of Social Services in partnership with the Connecticut Health and Educational Facilities Authority (CHEFA).

The District of Columbia renovated or built 92 previously condemned playgrounds and provided equipment and materials for licensed center and family child care providers. The District also built and opened two child care centers as a result of public-private partnerships. Funding for the Penn Quarter Child Development center resulted from a partnership among the General Services Administration, the District of Columbia Government, D.C. Agenda, Host Marriott and Marriott International, and several other businesses that make up the D.C. Downtown Child Care Partnership. Funds to build the Fredrick Douglass Early Childhood and Family Support Center II were raised by the Early Childhood Collaborative of D.C., Inc. In addition, the District implemented the Faith-Based Initiative designed to expand child care at faith-based institutions. It also provided equipment for a new child care center that is in partnership with the first birthing center in the city and the Healthy Babies initiative, which serves teenage parents. The District will soon establish four new infant and toddler centers in high schools based on the Early Head Start model. The model will involve organizations, including the World Bank, that are already partnering with high schools.

Maine allocated $1.2 million in one-time quality improvement funds to help individual child care programs improve their facility, with a cap of $5,000 for family child care and $20,000 for center-based providers.

Minnesota allocated $3 million in bonding authority for facilities start-up, expansion, and renovation to be used by partnerships involving Head Start, child care, special education, and child visitation centers (where divorced parents can exchange their children in a safe environment). In selecting grantees, special consideration is given to proposals that involve interagency collaboration, address the needs of municipalities or counties with the highest percentage of children living in poverty, promote collaboration with child care providers, offer support services to refugee and immigrant families, and/or seek to use the funds to increase child care worker wages as a result of the grant.

Michigan allocated $350,000 of EQUIP expansion money for a grant pool specifically to establish new family and group home child care providers and allocated $200,000 as matching funds for center start-ups.

New Jersey approved a $12.6 billion bond program for school facilities across the state, including both public preschool and community-based preschool.

New York increased funding by $15 million (for a total of $30 million) for building new or renovating existing child care centers.

Nevada offered grants to infant and toddler child care centers and family child care programs for improvements or expansion and to help family child care providers become licensed.

North Carolina developed a special loan/grant fund for child care providers in counties that experienced flooding in 1999 to help them rebuild using $1.5 million of the CCDBG. The state's investment of restricted-use money leveraged an additional $3 million of more of flexible private funding, bringing the total loan fund to $4.5 million and making it possible for child care providers to borrow for a variety of needs including construction. Depending on the star rating that a child care provider earns on its rated license by the time the three-and-a-half-year balloon loans come due, up to 50 percent of the loan may be forgiven.

Oklahoma expanded the number of grants available to child care providers and awarded grants on a monthly rather than bi-annual basis. These include Quality Improvement Grants, Start-up and Expansion Grants, Licensing Compliance and Fire Code Grants, and Accreditation Support Grants. During the state fiscal year, the Department of Human Services approved almost $1.5 million in grants to providers. In addition, the state created a business roundtable which plans to target high need communities—based upon factors such as income, food stamp issuance, children with working parents, and supply of child care—to assist providers in making capital improvements to facilities. The Department of Human Services has requested $1.25 million in state funds for this initiative. Debt, federal grants, and philanthropic funding will yield the additional $3.75 million to fund the $5 million program.

Oregon is working with the Enterprise Foundation (a national non-profit organization) to develop a new tax credit similar to the low-income housing credit for construction and operation of community child care centers so that hard-to-find care will be more available in rural communities.

Pennsylvania allocated funding for minor repairs or renovation, including labor costs to meet zoning codes, best practice compliance, and equipment and funding to meet licensing requirements for inclusion of children with special needs.

South Dakota continued an ongoing project to help child care providers improve the health and safety of their child care facilities. Family child care providers and licensed child care centers have benefited from 654 grants impacting 13,816 children in 54 counties and totaling $1,030,051 since 1998. The majority of funding has been used for minor repairs, installation of fire safety devices, egress windows, and fences. The state also continued collaboration efforts among the Office of Child Care Services, the Governor's Office of Economic Development, and the South Dakota Housing Authority to respond to community needs for

group family child care facilities. Two additional communities received a total of three units constructed by prison inmates. This adds to the 22 new facilities in 17 communities built within the last three years and currently in various stages of development.

Washington dedicated $9 million of TANF block grant reinvestment funds for capacity-building in four categories of child care: infant care, odd-hour care, before- and after-school care in elementary and middle schools, and care for children with special needs. The state also developed a statewide child care facility fund through the Office of Child Care Policy incorporating private and public funds. In addition, the state invested $1 million of TANF block grant reinvestment funds for low-interest child care microloans. These loans are being used by child care providers in 20 counties to expand and improve their facilities. Because the microloan funds are revolving funds, they will continue to loan capital funds to child care businesses for several years.

Wisconsin allocated funding for start-up and expansion grants focusing on second- and third-shift care, odd-hour care, and care for mildly ill children.

PROTECTING CHILDREN THROUGH LICENSING STANDARDS

trong licensing provisions are the first building block in any early childhood system. These provisions help to ensure that children are safe and receiving the attention and support they need. Yet, there are significant gaps in basic state licensing. For example, while child development experts recommend that a single caregiver be responsible for no more than three or four infants, four or five toddlers, or 10 preschool-age children, only 10 states meet these recommendations for center-based care. Worse, only 10 states require all family child care providers to meet *any* regulations at all. In addition, while caregivers who have training in early care and education are more responsive to the needs of children and better equipped to help them succeed in school, states continue to fall short in their training requirements. As of June 1, 2000, 31 states did not require providers to have *any* early childhood training before they could care for children in child care centers, and 30 states did not require family child care providers to have this preparation. Seven states had no requirement for teachers in child care centers to participate in ongoing training during the year, and 11 states did not require family child care providers to meet this standard.

The status of licensing efforts is further hampered by the failure of many states to adequately *enforce* any requirements in place. According to a 2000 General Accounting Office survey, only four states invested in adequate training for licensing staff, and only 11 states reported licensing caseloads at or below recommended levels. In one-third of the states, caseloads were twice the recommended level or higher.[16]

In 2000, only one state, **Tennessee**, made improvements in staff-child ratios for both infants and toddlers, changing them from 1:5 to 1:4 for infants and 1:8 to 1:7 for toddlers. The state will also require all early childhood education staff to be fingerprinted through the FBI computer system, and annual post-employment training requirements for both teachers and directors were increased. Spurred by several child deaths related to child care centers, Tennessee significantly increased its requirements for monitoring as well. Child care centers will receive six unannounced visits annually, licensed family child care homes will have four visits annually, and unregulated providers receiving Child Care and Development Block Grant (CCDBG) funds will be required to have two unannounced visits annually.

North Carolina moved ahead to implement its five-star rated license system by adding 60 licensing consultant/supervisor positions to assist with monitoring. New field staff will help process rated license applications, increase the frequency with which family child care homes can be monitored, and improve overall caseload.

Kentucky made significant improvements by hiring approximately 35 additional licensing specialists to bring caseloads down to nearly 50 per specialist (from 100 per specialist), establishing an informal dispute resolution process for providers and licensing staff, and adding fines that can be assessed by the licensing agency when significant violations occur and compliance issues remain unresolved. In addition, the state established a division of licensed child care within the licensing branch. All licensing specialists in this division will have early childhood background and experience now and be devoted specifically to child care.

Five other states, including **Colorado, Connecticut, Maine, Michigan,** and **West Virginia,** also hired additional licensors.

Three states improved standards for family child care providers. **New York** doubled the number of annual training hours required for family child care providers (from 15 hours to 30 hours), **Oregon** passed legislation making new family child care providers subject to an on-site health and safety review prior to becoming registered, and **Oklahoma** implemented several mandatory health and safety requirements.

New State Action 2000: State by State Details

Alabama passed legislation requiring FBI criminal background checks for all licensed and regulated child care providers, except informal, in-home relative care.

Arkansas revised playground regulations to address fall zones on new playground equipment.

Colorado hired 18 new licensing inspectors through a contracted service provider. In addition, the state implemented a law to require all family child care providers and at least one individual in each center to be trained in the delivery of medications to children in line with the Nurse Practice Act.

Connecticut passed legislation requiring all new employees at licensed child care centers to be fingerprinted and undergo an FBI check. The Department of Public Health is also no longer required to hold a formal hearing when a child care provider who has submitted a new application is denied a license.

The District of Columbia licensing agency required all licensed child care programs to develop an evacuation plan in case of an emergency.

Hawaii drafted rules for the implementation of a two-year license for facilities currently licensed for four or more years with all other facility licenses remaining annual. The state is also implementing a child CPR training requirement for all licensed facilities.

Kansas developed a child care provider orientation program to inform new providers about state licensing regulations and available resources. The state legislature also passed legislation requiring child care providers to authorize the release of information regarding their child care facility to resource and referral agencies and Social and Rehabilitative Services before their names may be released to parents.

Kentucky hired approximately 35 additional licensing specialists to bring caseloads down to nearly 50 per specialist (from 100 per specialist), established an informal dispute resolution process for providers and licensing staff, and added fines that can be assessed when significant violations occur and compliance issues remain unresolved. In addition, the state established a division of licensed child care within the licensing branch. All specialists in this division will now be devoted specifically to child care and will have early childhood background and experience. The state also divided exempt providers into two categories: providers who do not have to meet any requirements and enrolled care providers—non-relatives caring for children in the provider's home who must meet certain minimum qualifications. With passage of the Governor's KIDS Now! initiative, all exempt providers—both relative and enrolled—caring for children receiving public funds will have to meet requirements concerning capacity, health and safety, training, criminal records checks, and checks for substantiated instances of child abuse and neglect.

Illinois changed licensing regulations to allow two sets of ratio requirements for family child care providers. A provider can care for up to eight children with either: 1) five children under the age of five (including three under the age of two); or 2) six children under age five (including two of whom

can be younger than two-and-a-half). The state also increased Representative training, added six quality assurance positions, and created a quality assurance manager position. Also underway is a public comment period on adding a requirement of 15 hours of annual child development training for family child care providers.

Maine increased state spending for new child care licensing positions by $444,601 to hire eight additional licensing staff.

Maryland amended regulations to ensure full consistency with current child lead testing laws.

Massachusetts implemented administrative procedures requiring non-relative informal (in-home) providers receiving public funds to go through criminal background checks.

Michigan proposed new rules for child care centers in the fall of 1999 that would have weakened the standards in place (the rules had not been changed since 1979). There was a great deal of concern with the proposed rules and, as a result of the responses at public hearings, several provisions were rescinded. State child care advocates continue to work with the Department of Consumer and Industry Services (DCIS) to improve the standards. Two issues of concern are that the rules only include nutritional guidelines, not standards such as those included in the federal Child and Adult Care Food Program; also that the rules cite Playground Safety Standards that are not available to child care center operators to use in addressing playground safety issues. In addition, the rules require all centers to have a signed contract on file for each child, requiring a significant amount of new administrative work for providers. In a more positive development, the legislature allowed DCIS to hire up to 20 additional child care licensing consultants since the current average caseload per consultant is 240 programs.

Minnesota made several changes that weakened staff qualification and training requirements. In-service child care training requirements for teachers and assistant teachers range from one to two percent of their working hours, depending on their educational background. Previously, all teaching staff were required to take training equivalent to two percent of their working hours (40 hours for a full-time provider). In addition, experienced aides (defined as being at least 20 years old and having completed at a minimum of 4,160 hours of child care experience) may now be unsupervised for up to 25 percent of the individual's daily work shift. The state also implemented a special rule allowing employers who set up on-site centers with 14 or fewer children to be subject to family child care regulations instead of center regulations. This special rule also applies to congregations sponsoring on-site centers.

Mississippi implemented new fingerprinting requirements for criminal background checks of staff, operators, and owners before licenses are renewed.

Montana implemented new regulations requiring eight hours of mandatory annual training for all licensed and registered early childhood programs.

Nebraska passed legislation prohibiting smoking in all non-home-based child care programs. In addition, changes were made in rules and regulations concerning the administration of medications in homes and centers.

New Hampshire revised its state licensing rules to include fines for violations of critical rules such as operating a program without a license and serious health and safety violations. The revised rules also require a water-safety course for providers who take children near water and increased the staff-child ratios for field trips. In addition, the statutory requirement that providers receiving state subsidies undergo child abuse and criminal records background checks is gradually being implemented.

New York enacted the Quality Child Care and Protection Act, which includes a number of provisions to expand state regulation of child care providers. The law doubles the current annual training requirement from 15 hours to 30 hours for family child care providers and requires operators of home-based programs to receive basic health and safety training before becoming licensed or registered. The law also requires criminal background checks of child center operators, employees, assistants and volunteers, and school-age programs as well as family child care and group family child care. Applicants will not be permitted to operate or work in a child care program if they have been convicted of a violent felony, a felony sex offense, a felony against a child, or within the past five years for a drug-related felony, unless the Office of Child and Family Services finds that approval of the application will not in any way jeopardize the health, safety or welfare of children.

North Carolina began implementing its Five-Star Rated License system for providers of care for children birth to five. Licensing consultants began rating centers starting in fall 1999 and family child care homes starting in January 2000. In the summer of 2000, the Five-Star Rated License for providers who care exclusively for school-age children went into effect. Incentives and recognition for child care providers who achieve higher-than-minimum standards will be offered. To assist with the increased monitoring responsibilities resulting from the new rated license system, the state added 60 licensing consultant/supervisor positions to assist with monitoring of two- to five-star programs. New field staff will help with the processing of rated license applications, increase the frequency with which family child care homes can be monitored, and improve overall caseloads. The Division of Child Development has also negotiated a Memorandum of Understanding with the Department of Public Instruction that phases in licensure of preschool programs in the public schools by the Division of Child Development over the course of the next three years.

Ohio is in the process of revising and updating its child care licensing regulations for full- and part-time programs. Major changes include merging the School-Age Child Care Rules with the full- and part-time facility regulations. One of the outcomes of the rule revision project will be a reduction of the total number of rules, while creating a more user-friendly text format for providers. Revisions also include provisions for evening and overnight care as well as enhanced flexibility for staff meeting in-service training requirements through use of electronic media and distance learning opportunities. Child development training is more clearly emphasized within the in-service training requirements. Basic and developmental needs and child guidance measures are more specifically addressed in an effort to promote and support quality child care. Also incorporated in the changes is the initiation of a system for enhanced reporting and data collection

of incidents of serious injury occurring at centers, allowing the data to be analyzed and used in developing possible prevention strategies. The system emerged as a collaborative project between the Ohio Department of Health and Ohio Department of Job and Family Services. All final rule revisions will be translated into a software program currently being used in Ohio's automated licensing inspection system.

Oklahoma hired five Reaching for the Stars Coordinators to assist licensing staff in promoting the tiered reimbursement and quality initiatives program. Revised family child care home requirements were implemented that include mandatory training in health and safety including CPR within the first six months, increased annual provider training, improved outdoor supervision requirements, carbon monoxide detectors for homes with gas heaters, age-appropriate play equipment in each of eight categories, and increased food safety standards. A new licensing category for large child care homes was also instituted for home-based care with eight to 12 children. A scholarship program was implemented for licensing staff who seek Master's degrees in early childhood education.

Oregon passed legislation requiring new family child care providers to be subject to an on-site health and safety review prior to becoming registered. Family child care providers are also now required to take a two-hour child abuse recognition class and first-aid/infant CPR training, attend a Child Care Division (CCD) overview session, and obtain a Food Handler's certificate. After registration, family child care providers are required to participate in an additional eight hours of child development training prior to obtaining their two-year renewal. The CCD now investigates all serious complaints against family child care providers. The state also implemented a new child care licensing data system that includes a criminal history registry. In addition, the state revised the administrative rules for family child care facilities, including adding a policy to prohibit smoking and the use of smokeless tobacco and added other improved programming and safety requirements.

Pennsylvania allocated an additional $2 million in federal funds to providers who need assistance to maintain their existing capacity. This includes helping providers meet licensing needs, such as minor repairs or renovation (including labor costs) necessary to meet zoning codes, best practice compliance, and equipment to meet licensing requirements for inclusion of children with special needs. In addition, child abuse clearances and compliance with minor health and safety protections will be required for all unregulated providers receiving public funds. The state also used administrative funds to increase annual family child care home inspections from five to 15 percent of homes registered.

South Dakota implemented Out-of-School (OST) licensing standards via administrative rules for school-based programs. The intent of these new rules was to create a licensing process specifically geared to programs located in schools. Previously, these programs had been subject to the same standards that apply to child care centers.

Tennessee implemented new licensing requirements for ratios that will go into effect July 1, 2001. The staff-child ratio for infants was increased from 1:5 to 1:4. The ratio for toddlers increased from 1:8 to 1:7. New ratios for the other age groups will go into

effect in 2002 and 2003. The state also passed legislation requiring all early childhood education staff to be fingerprinted through the FBI computer system. The state will pay for this process (about $48 per check or a total of $700,000 to $1,000,000 annually). State licensing fees were increased significantly and a civil penalty provision was passed with the revenue going into a fund for training. In addition, the state now regulates drop-in care and requires fingerprinting for staff. The number of unannounced visits was increased from one to six annually for child care centers, from one to four for family child care homes, and from one to two for unlicensed care receiving public funds. Annual training requirements for both directors and teachers were also increased; directors' training hours went from 12 to 18 and teachers' hours from 6 to 12. To cover the costs of expanded training, the state provided additional funding for the Tennessee Early Childhood Training Alliance.

Texas assigned all Region Two licensing staff to focus on quality issues and are available to local providers or to the local boards responsible for setting child care policy. The state also passed legislation requiring increased levels of general liability insurance, stricter auditing, and more training for directors.

Utah revised minimum health and safety standards for non-relative, private home providers by requiring them to obtain a residential certification, which includes criminal and safety inspections. Legally license-exempt care, including programs in schools, religious organizations, and relative care, was not affected by this change. The State Office of Education also now requires license-exempt providers to be at least residential certified—the lowest legal level of standards necessary—to obtain reimbursements for meals and snacks through the Child and Adult Care Food Program (CACFP). This includes programs in schools, religious organizations, and relative care.

Vermont established a Memorandum of Understanding with the Department of Education to assure all preschool programs operated by public schools are licensed. The state also revised licensing standards for center-based early childhood programs to strengthen professional development requirements for staff and enhance health and safety measures.

Virginia implemented new licensing policies relating to license-exempt child care centers operated by religious institutions. In determining ratios, these centers can now permit 16- and 17-year-olds to count as staff as long as they are under the supervision of an adult and the adult staff member is not supervising more than two staff members under 18 years of age. In addition, effective January 1, 2001, national criminal record checks will be available to any business or organization providing care to children.

Washington increased child care facility monitoring efforts through the Office of Child Care Policy, nearly doubling the number of monitoring site visits. The state also implemented new licensing regulations for family child care homes. A new policy waives FBI criminal background clearance checks for 120 days for employees in child care and group care facilities. In addition, the state changed its rules to require providers exempt from licensing to pass a criminal history clearance check in order to collect child care subsidy reimbursements. Also, the state will now require all licensing regulations to be written in language easily understood by the public.

West Virginia hired an additional licensor and a supervisor for its child care licensing staff.

Wisconsin increased funding by $3.9 million in CCDBG dollars over the biennium for licensing (this funding largely replaces reductions in Title XX Social Services Block Grant funds which had funded licensing positions). The state also allocated $600,000 to establish a new statewide automated file of all regulated providers.

Wyoming increased funding for licensing by $500,000 per year. The state is also currently in the rulemaking process. The proposed rules would lower child/staff ratios and group size limits, and would increase training requirements from eight hours to 15 hours per year.

Table 4. Pre-service and In-service Early Education Training Required by State Licensing Standards*

State	Child Care Center Teachers		Family Child Care Providers	
	Pre-service Training?	In-service Training?	Pre-service Training?	In-service Training?
Alabama	No	Yes	No	Yes
Alaska	No	Yes	No	Yes
Arizona	No	Yes	No	Yes
Arkansas	No	Yes	NA	NA
California	Yes	No	No	No
Colorado	No	Yes	Yes	Yes
Connecticut	No	Yes	No	No
Delaware	Yes	Yes	Yes	Yes
District of Columbia	Yes	No	No	No
Florida	Yes	Yes	Yes	No
Georgia	Yes	Yes	No	Yes
Hawaii	Yes	No	No	Yes
Idaho	No	Yes	NA	NA
Illinois	Yes	Yes	No	No
Indiana	No	Yes	NA	NA
Iowa	No	Yes	NA	NA
Kansas	Yes	Yes	No	No
Kentucky	No	Yes	Yes	Yes
Louisiana	No	No	NA	NA
Maine	No	Yes	Yes	Yes
Maryland	Yes	Yes	Yes	Yes
Massachusetts	Yes	Yes	No	Yes
Michigan	No	No	No	No
Minnesota	Yes	Yes	Yes	Yes
Mississippi	No	Yes	NA	NA
Missouri	No	Yes	No	Yes
Montana	Yes	No	No	No
Nebraska	No	Yes	Yes	Yes
Nevada	Yes	Yes	Yes	Yes
New Hampshire	Yes	No	No	Yes
New Jersey	Yes	Yes	NA	NA
New Mexico	No	Yes	No	Yes
New York	No	Yes	No	Yes
North Carolina	No	Yes	No	Yes
North Dakota	No	Yes	No	Yes
Ohio	No	Yes	NA	NA
Oklahoma	No	Yes	No	Yes
Oregon	No	Yes	No	No
Pennsylvania	No	Yes	No	Yes

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Table 4. Pre-service and In-service Early Education Training Required by State Licensing Standards* *(continued)*

State	Child Care Center Teachers		Family Child Care Providers	
	Pre-service Training?	In-service Training?	Pre-service Training?	In-service Training?
Rhode Island	Yes	Yes	No	Yes
South Carolina	No	Yes	No	No
South Dakota	No	Yes	NA	NA
Tennessee	No	Yes	No	Yes
Texas	Yes	Yes	No	Yes
Utah	No	Yes	No	Yes
Vermont	Yes	Yes	No	Yes
Virginia	No	Yes	NA	NA
Washington	Yes	Yes	Yes	Yes
West Virginia	No	Yes	No	No
Wisconsin	Yes	Yes	Yes	Yes
Wyoming	No	Yes	No	Yes

* *Notes:* If a state has requirements for training not specified in early childhood (such as first aid/CPR) that can substitute for training in early childhood education, it is reported as "No."

"Family Child Care" in this table refers to one provider legally caring for one or more unrelated children in the provider's residence and "NA" means that a state does not regulate this type of caregiver.

Depending on the timing of implementation for licensing changes discussed in the state-by-state details section, this table may or may not reflect the new policies.

Source: Sheri L. Azer and Paula Bowie, *Training Requirements in Child Care Licensing Regulations: 2000* (Boston, MA: The Center for Career Development in Early Care and Education at Wheelock College, 2000).

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Table 5. Minimum Staff-Child Ratio Requirements for Child Care Centers for Selected Ages

State	Age Group					
	6 wks	9 mos	18 mos	27 mos	3 yrs	4 yrs
Alabama	1:6	1:6	1:8	1:8	1:12	1:20
Alaska	1:5	1:5	1:6	1:6	1:10	1:10
Arizona	1:5/2:11	1:5/2:11	1:6/2:13	1:8	1:13	1:15
Arkansas*	1:6	1:6	1:9	1:9	1:12	1:15
California*	1:4	1:4	1:4	1:6	1:12	1:12
Colorado	1:5	1:5	1:5	1:7	1:10	1:12
Connecticut	1:4	1:4	1:4	1:4	1:10	1:10
Delaware	1:4	1:4	1:7	1:10	1:12	1:15
District of Columbia	1:4	1:4	1:4	1:4	1:8	1:10
Florida	1:4	1:4	1:6	1:11	1:15	1:20
Georgia	1:6	1:6	1:8	1:10	1:15	1:18
Hawaii	Prohibited	1:4	1:6	1:8	1:12	1:16
Idaho	1:6	1:6	1:6	1:12	1:12	1:12
Illinois	1:4	1:4	1:5	1:8	1:10	1:10
Indiana	1:4	1:4	1:5	1:5	1:10	1:12
Iowa	1:4	1:4	1:4	1:6	1:8	1:12
Kansas	1:3	1:3	1:5	1:7	1:12	1:12
Kentucky	1:5	1:5	1:6	1:10	1:12	1:14
Louisiana	1:6	1:6	1:8	1:12	1:14	1:18
Maine	1:4	1:4	1:5	1:5	1:10	1:10
Maryland	1:3	1:3	1:3	1:6	1:10	1:10
Massachusetts	1:3/2:7	1:3/2:7	1:4/2:9	1:4/2:9	1:10	1:10
Michigan	1:4	1:4	1:4	1:4	1:10	1:12
Minnesota	1:4	1:4	1:7	1:7	1:10	1:10
Mississippi	1:5	1:5	1:9	1:12	1:14	1:16
Missouri	1:4	1:4	1:4	1:8	1:10	1:10
Montana	1:4	1:4	1:4	1:8	1:8	1:10
Nebraska	1:4	1:4	1:6	1:6	1:10	1:12
Nevada	1:4	1:6	1:8	1:10	1:13	1:13
New Hampshire	1:4	1:4	1:5	1:6	1:8	1:12
New Jersey*	1:4	1:4	1:7	1:7	1:10	1:12
New Mexico	1:6	1:6	1:6	1:10	1:12	1:12
New York	1:4	1:4	1:5	1:5	1:7	1:8
North Carolina	1:5	1:5	1:6	1:10	1:15	1:20
North Dakota	1:4	1:4	1:4	1:5	1:7	1:10
Ohio*	1:5/2:12	1:5/2:12	1:7	1:7	1:12	1:14
Oklahoma	1:4	1:4	1:6	1:8	1:12	1:15
Oregon	1:4	1:4	1:4	1:4	1:10	1:10
Pennsylvania*	1:4	1:4	1:5	1:6	1:8	1:10

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Table 5. Minimum Staff-Child Ratio Requirements for Child Care Centers for Selected Ages *(continued)*

State	Age Group					
	6 wks	9 mos	18 mos	27 mos	3 yrs	4 yrs
Rhode Island	1:4	1:4	1:6	1:6	1:9	1:10
South Carolina	1:6	1:6	1:6	1:10	1:13	1:18
South Dakota	1:5	1:5	1:5	1:5	1:10	1:10
Tennessee	1:5	1:5	1:7	1:8	1:10	1:15
Texas	1:4/2:10	1:4/2:10	1:9	1:13	1:17	1:20
Utah	1:4	1:4	1:4	1:7	1:12	1:15
Vermont	1:4	1:4	1:4	1:5	1:10	1:10
Virginia	1:4	1:4	1:5	1:10	1:10	1:12
Washington	1:4	1:4	1:7	1:7	1:10	1:10
West Virginia	Prohibited	1:4	1:4	1:8	1:10	1:12
Wisconsin	1:4	1:4	1:4	1:8	1:10	1:13
Wyoming	1:5	1:5	1:5	1:8	1:10	1:15
NAEYC-Recommended Provider-Child Ratios	1:3 or 1:4	1:3 or 1:4	1:3, 1:4 or 1:5	1:4, 1:5 or 1:6	1:7, 1:8, 1:9 or 1:10	1:8, 1:9 or 1:10

Depending on the timing of implementation for licensing changes discussed in the state-by-state details section, this table may or may not reflect the new policies.

• Information reported for these states is based on data compiled by Wheelock College and on conversations with state licensing offices.

Source: The Center for Career Development in Early Care and Education at Wheelock College, October 2000.

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INFANT AND TODDLER CARE

At home or in child care, the quality of children's early experiences is critical to their future learning and success. Children in quality environments have shown improved outcomes. A recent study of the federal Early Head Start program, enacted in 1994 to support infants, toddlers, and their families, confirms that a high quality early education experience can have a significant positive impact on the development of very young children. Two-year-old children enrolled in Early Head Start programs after a year performed better in measures of language, cognitive, and socio-emotional development, compared with children who did not participate in the program.[17]

Paid parental leave should be a primary component of any comprehensive strategy to ensure quality care for infants and toddlers. A 2000 poll found that 80 percent of all adults (and an even higher percentage of parents) support paid parental leave, and 84 percent of all adults support expanding disability or unemployment insurance to cover the cost. However, to date, no state has taken advantage of a new federal regulation that allows parents to collect unemployment insurance when they take time off to be with a newborn or adopted child. Only five states allow new mothers to use temporary disability benefits for wage replacement before and after childbirth.

At the same time, little progress has been made in ensuring that quality child care is available and affordable for parents who cannot stay at home with their young children. Parents across the country face extraordinarily long waiting lists for space in infant programs, and possibly even longer lists for any subsidy to help pay for such a slot when it becomes available. It is

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sobering, given the groundwork that is laid in the early years of life, that efforts to address these problems remain so limited.

Some steps states can take include:*

- Reviewing licensing standards to ensure that all infant/toddler programs meet the National Health and Safety Standards for Out-of-Home Care (developed by the American Academy of Pediatrics and the American Public Health Association).
- Ensuring that infant/toddler providers have specialized training, credentials, and adequate compensation.
- Promoting higher reimbursement rates for infant/toddler care and care that is accredited.
- Ensuring that every infant and toddler in child care has up-to-date immunizations and a developmental screening.
- Requiring that every infant/toddler program involves parents, promotes parent education and family support services, and reflects the cultures and languages of the families served.
- Expanding the supply of quality care and ensuring that all eligible children have access to Early Head Start.
- Launching a public awareness campaign to help parents understand how to select and monitor the quality of care for their infants and toddlers.
- Funding an infant/toddler specialist to work with providers and parents in every child care resource and referral agency.
- Providing every infant/toddler program with access to health and mental health consultants.
- Ensuring that all infant/toddler programs have training and support to include children with special needs.
- Creating networks of support for family child care and kith and kin providers.
- Ensuring that all higher education institutions have the capacity to offer courses in infant/toddler care and supervision.

In 2000, a number of states maintained or expanded investments in specialized training for infant caregivers. **Kansas** continued to work with and support the infant/toddler specialists placed in resource and referral programs.

* These suggestions were developed by Joan Lombardi, former director of the federal Child Care Bureau and family and child policy expert.

North Carolina expanded funding for its initiative that places health consultants in local programs. One state, **Tennessee**, strengthened licensing rules to lower child-staff ratios for infant and toddler care. **Maine** targeted $2.6 million from the state's tobacco settlement toward increasing infant/toddler and preschool child care. **Montana** funded 12 pilot programs statewide linking specialized training in infant/toddler care to increased compensation for staff.

New State Action 2000: State-by-State Details

Arizona implemented an infant/toddler institute providing a free, comprehensive training program for infant and toddler child care providers throughout the state. Expenses associated with attending the training (substitute care costs, mileage, lodging) are covered. An individualized follow-up plan and on-site technical assistance helps caregivers put training into practice. In addition, the state provided funding to centers and family child care homes to enhance the quality of infant care through facility improvements, curriculum development, purchase of equipment and materials, and staff training.

Arkansas developed demonstration projects based on best practice models to improve infant and toddler care quality.

Colorado created a train-the-trainer program for infant care to address the lack of staff that are able to meet licensing requirements for infant care.

Delaware developed a for-credit college course in a community-based setting for providers working with infants and toddlers through a contract between the University of Delaware and the Division of Services for Children, Youth and Families (DSCYF).

The District of Columbia implemented a new toddler reimbursement rate to reflect the higher cost of meeting the one-to-four child/staff ratio requirement for children ages two through two-and-a-half. Previously, the reimbursement rate for children in this age group was the same as the rate for preschool care, which requires a 1:8 ratio. Another effort, the District's Quality Care for Children Initiative, will initially focus on classrooms in centers providing infant and toddler care and will offer: an independent assessment of classrooms using environmental rating scales; an orientation and training on the environmental rating scales for teaching teams; a program director and a technical assistance specialist support group; and an on-site team providing classroom technical assistance. In addition, the District awarded a grant to United Cerebral Palsy to train family child care providers to work with infants and children with disabilities, establish a resource room and provide refurbished computers for family child care providers to reduce feelings of isolation, and train TANF recipients to work in infant centers. The District also issued an RFP for expansion and start-up grants for infant and toddler programs. At least 20 new programs will be funded. The District also plans to establish four new infant and toddler centers in high schools based on the Early Head Start model. The model, which includes the World Bank, will involve organizations already partnering with the high schools.

Georgia funded an infant and toddler initiative to provide training, technical assistance, and quality improvement grants to child care centers and family child care homes in 24 counties.

Iowa began to use its infant/toddler federal set-aside funds. Grants for equipment, renovation, and support for accreditation were awarded to providers who serve infants and toddlers.

Kansas conducted a quality care survey of family child care providers through its 16 infant/toddler specialists. The Child Care Quality study examined the quality of child care for infants and toddlers. Standardized environmental rating scales were used to determine the effects of the training, technical assistance, and resources offered by the resource and referral infant/toddler project on infant and toddler care in the state. The survey provided base information to establish outcomes for the state infant/toddler initiative. Infant/toddler specialists also participated in the two WestEd trainings (modules 1-2 and 3-4) offered in Kansas. The Head Start Collaboration office provided a grant to the infant/toddler programs for new specialists to attend WestEd training as well.

Maine targeted $2.6 million from the state's tobacco settlement to increasing infant/toddler and preschool child care. More than half of the funding provided subsidies to low-income families through the state's voucher program; the remaining portion was put out to bid for contracted child care services.

Massachusetts convened the Infant/Toddler Services Summit for the third year using the state Executive Office of Health and Human Services' Head Start Collaboration grant funds. The summit conducted community-based cross-training among early childhood direct service staff and implemented a pilot grant program to recruit high school students to the field.

Michigan awarded $124,500 to the child care resource and referral network to develop an infant/toddler curriculum and provide infant/toddler training to child care workers throughout the state ($40,500 for curriculum development, $84,000 for training). In addition, the FY 2001 Family Independence Agency budget included $16.7 million for an increase in state reimbursement rates for child care providers caring for infants and toddlers, effective October 1, 2000.

Minnesota used $1.2 million from the federal infant/toddler set-aside to create an incentive grants program for child care providers. The Infant/Toddler Training Initiative has trained over 180 individuals from diverse backgrounds and all regions of the state. In addition, over 16,000 providers, teachers, Head Start staff and Early Childhood Family Education teachers have received the WestEd Infant/Toddler Caregiving training over the past five years. The state also changed the At-Home-Infant Care Program so that families do not lose their place on Basic Sliding Fee waiting lists during their leave.

Montana funded 12 pilot programs statewide linking specialized training in infant/toddler care to increased compensation for staff. As part of the effort, the state brought experts to Montana and provided training for using the Early Childhood Environmental Rating Scale, Infant and Toddler Environmental Rating Scale, and Family Day Care Environmental Rating Scale to determine a baseline for program evaluation.

Nebraska moved the state's First Connections Internet-based training project for teachers and caregivers working with infants and toddlers from a pilot program to a state-

wide program. The web site includes on-line training, a discussion forum, resources and information for teachers, caregivers, and parents, links to related sites, and profiles of infant/toddler programs.

Nevada provided grants to licensed centers and family child care programs to improve quality and increase slots for infant and toddler care. Wrap-around funds were also provided to all Early Head Start programs. Child care professionals were required to attend WestEd Training and a university course. In addition, the state sponsored a week-long seminar on infant and toddler care at the University of Nevada in Reno.

New Hampshire sponsored an infant/toddler graduate-level course free to participants who agreed to increase their infant/toddler slots. Participants also received a mini-grant to assist in opening the new slots.

New Mexico established nine contracts between private child care and Head Start grantees to expand Early Head Start or Head Start services using TANF funding. The state also held a mini-conference on collaboration, funded by New Mexico's Head Start Collaboration project, to develop community teams for child care, and Early Head Start and Head Start partners.

North Carolina completed the first year of quality enhancements for its Infants/Toddlers Project and expanded the project in its second year. The project uses multiple federal funding sources, including $2.3 million of the Child Care and Development Block Grant (CCDBG) infant/toddler earmark and Title V (Maternal and Child Health) funding, to build a system for child care health consultation in the state. Project components include: funds to enable local agencies such as health departments; and local Smart Start partnerships to hire child care health consultants to serve area child care providers; enhancement grants for health and safety improvements for providers serving infants and toddlers; web-based training and health consultation resources; and evaluation. The project is a collaborative effort that brings together the state Division of Child Development, state Division of Public Health, University of North Carolina School of Public Health, Child Care Resource and Referral Network, and Wake Area Health Education Center.

Oklahoma held two conferences for infant/toddler caregivers that were attended by 600 teachers. The First Start program was expanded by $1.8 million to $4.1 million to serve a total of 545 children birth to age three. First Start programs must operate on a full-day, full-year schedule, meet Head Start performance guidelines, and become nationally accredited. In addition, the state launched a recruitment campaign for infant and toddler caregivers in cooperation with the statewide resource and referral network. The campaign developed a packet of materials stating the need for providers and listed available resources for existing child care providers. The campaign also launched an outreach effort using public service announcements, posters, and brochures to recruit new providers.

Oregon granted funds to expand the availability of the First by Five infant and toddler training for providers.

Pennsylvania expanded a $2.3 million FY 1999–2000 capacity initiative for 639 grants for four categories of care, one of which is infant and toddler care, by appropriating $2 million in federal funds for child care providers who need assistance to maintain existing capacity.

South Carolina extended CCDBG grants to ABC Child Care Program child care providers to implement, expand, and raise the quality of infant and toddler programs. Technical assistance by staff of the ABC Child Care Program is available on an on-going basis to enhance the quality of infant and toddler care.

South Dakota launched parenting classes statewide for parents of children birth to age three in an effort to address the needs of families with young children. The new Responsive Parenting program, part of the Governor's Bright Start project, includes a series of six weekly classes that provides information on child development to help parents be more responsive to their children's needs. Fifty individuals have completed a nationally recognized two-week intensive course in the care of infants and toddlers prior to becoming Responsive Parenting trainers. A majority of the parenting classes will be held at child care facilities, making it more convenient for parents to attend. In addition, mothers in two pilot communities who meet identified risk factors receive home-visiting by a nurse prior to, and following, the birth up to their child's third birthday. Seventy-seven health and safety grants were also awarded to 34 communities to assist child care providers in meeting current standards and to improve overall quality. As part of another effort, the state provided incentives, through a grant from the Bush Foundation, to child care providers who attend 20 hours of WestEd Infant/Toddler training. So far, $51,450 mini-grants have been awarded to 205 providers.

Tennessee increased the staff-child ratio from 1:5 to 1:4 for infants and from 1:8 to 1:7 for toddlers.

Utah awarded one-time mini-grants to child care providers to enhance their programs serving infants and toddlers.

Vermont invested an additional $16,000 to establish two infant programs.

Washington earmarked $2.1 million within TANF reinvestment funds for building the supply of infant care. Additionally, funds were provided to child care resource and referral agencies as part of an enhancement grant, and community colleges with infant/toddler programs were granted incentives to increase capacity.

West Virginia developed training for infant/toddler providers through the Training Connection, a collaborative training system that utilizes funds from the U.S. Office of Maternal and Child Health, U.S. Department of Health and Human Resources, West Virginia Office of Social Services, and West Virginia Department of Education. The state now provides an incentive of up to $2 per child, per day, for infants and toddlers if the caregiver successfully completes the new infant/toddler training.

Wisconsin funded T.E.A.C.H.® Early Childhood Wisconsin, which provides scholarships and bonuses to center staff and family child care providers who care for infants and toddlers and earn the 12-credit Wisconsin Infant Toddler Credential. Five-hundred scholarships were awarded the first year.

Wyoming released an RFP designed to develop programs for underserved populations, including infants and toddlers, and developed an Infant Credential for infant program directors. The credential will be available through Casper College distance learning coursework. Directors enrolled in the credential program will also complete a hands-on assessment at one of the model infant/toddler facilities located across the state.

SCHOOL-AGE CARE

The importance of constructive after-school activities for children and youths was confirmed in 2000 by Census data revealing that nearly 7 million children ages 5 to 14 care for themselves after school on a regular basis.[18] These statistics are alarming in light of the fact that the rate of juvenile violence is highest in the after-school hours, between 3 p.m. and 7 p.m.[19] Ensuring that children are safe is just one reason that expanding quality after-school opportunities should be at the top of policymakers' agendas. Well-designed after-school activities can also help to boost low-income children's chances of succeeding in school. A 1998–1999 evaluation of the Urban School Initiative School-Age Child Care Project in Columbus, and Cleveland, Ohio found that children who attended the school-age programs missed significantly fewer days of school than they had the previous school year and outperformed their peers on statewide fourth- and sixth-grade proficiency tests.[20] Principals and teachers reported an increase in the completion of homework assignments, better school behavior, and better school attendance. Parents reported the ability to work additional hours with more flexible schedules.

Yet, there are wide discrepancies between participation of high- and low-income children in after-school activities as well as between children whose parents have attained different education levels. Census data reveal that children living in families with a monthly income of $4,500 or higher were more than twice as likely to participate in enrichment activities such as sports, lessons, or clubs than were children living in families with a monthly income of

under $1,500.[21] Given that constructive after-school activities can boost low-income children's ability to succeed in school, these discrepancies are particularly troubling.

There is broad-based support for investments in after-school activities. A poll released by the Afterschool Alliance found that nine out of 10 voting Americans want after-school programs for children; eight out of 10 voters believe that federal and state governments should set aside money for after-school programs; and nine out of 10 agree that there is a need for some type of organized activity or place where children can go after school.[22] Given the public recognition of the importance of these activities, it is surprising that state investments remain relatively modest.

In 2000, 13 states, including **Connecticut, the District of Columbia, Illinois, Iowa, Maine, Maryland, Michigan, New Hampshire, New York, South Dakota, Vermont, Washington,** and **West Virginia,** began new school-age initiatives or increased spending on existing school-age programs using state or TANF funds. The District of Columbia made a particularly striking effort for both younger school-age children and youths. Several additional states earmarked Child Care and Development Block Grant (CCDBG) or other funds to expand or improve school-age care.

New State Action 2000: State-by-State Details

Arkansas developed a demonstration project based on best practice models to improve the quality of school-age care.

Connecticut funded the University of Connecticut, in partnership with the Connecticut School-Age Child Care Alliance and the CT Charts-A-Course career development system, to work on establishing a CDA for school-age providers. The state also expanded the Accreditation Facilitation Project to pilot school-age accreditation support.

The District of Columbia earmarked approximately $13 million within the TANF block grant for a collaboration effort with District of Columbia Public Schools to support their Aftercare program—an education and enrichment program for low-income children during after-school hours throughout the school-year and summer vacation months serving 58 elementary schools. The four components of the program include educational technology, the arts, sports, and community service. The funds were also earmarked for a separate collaboration effort with the District of Columbia Department of Parks and Recreation to coordinate a summer assistance and support project providing a multi-disciplined after-care and child care curriculum for over 3,000 school-age children. In addition, the District provided $7.2 million to support the Children Youth Investment Trust Partnership, which funded 30 school-age programs, six parent

development centers, and four entrepreneurship programs for youths. The Office of Early Childhood Development contracted with the Academy of Educational Development to provide youth development training for school-age care program employees. In other efforts, the District will provide scholarships to providers who want to obtain accreditation through the National School-Age Care Alliance and began the process of developing standards for school-age care programs.

Florida provided $974,352 for school-age programs.

Hawaii used CCDBG funding to eliminate co-payments for those children participating in the state-funded after-school program who are eligible for free and reduced-price lunches. (The state had already eliminated co-payments for TANF families.)

Illinois increased funding for its Teen Reach program from $18.5 million to $19.75 million to serve children ages six to 19.

Iowa transferred $200,000 from the TANF block grant to the CCDBG to assist school-age providers in increasing the number of children served and to support transportation costs. Federal set-aside funds were also used to award grants to school-age providers for training, equipment, and renovations.

Kansas established a School-Age Coalition and is working to encourage school-age accreditation sites.

Kentucky will appoint a school-age coordinator on the Governor's early childhood staff as part of the KIDS Now! initiative.

Maine allocated $1.2 million specifically to fund school-age child care. Of this amount, $540,000 was earmarked for the creation of new school-age child care programs in underserved communities. In addition, the legislature approved $652,357 for new after-school programs for children ages 12 to 15.

Maryland used $10 million in TANF funds for the new Maryland After School Opportunity Fund Program created by the state legislature to support after-school care and programs throughout the state. One goal is to improve child well-being as measured by results and indicators that have been adopted by the state in the areas of child safety, school success, child health, and healthy births. Funds were awarded to local planning entities in each jurisdiction of the state to subcontract for after-school programs. Training and technical assistance to the subcontracted programs and a statewide evaluation will be conducted by the state's administering agency through competitive bid contracts.

Michigan added $16 million of TANF funding to the Family Independence Agency budget for before- and after-school care and elementary school-age pilot programs. Quality funds continue to be used to expand before- and after-school care as well.

Missouri is in the process of developing new rules for school-age care, separate from regular child care rules, to address the particular health and safety needs of school-age children.

Montana released a contract to the Montana Child Care Resource and Referral Network to coordinate school-age programs across the state.

Nevada allocated $1.3 million for school-age resource and referral services. The state will also provide additional dollars to increase the quality and supply of after-school programs. It is in the process of determining the amount.

New Hampshire allocated $900,000 in Community Health and Byrne grants for school-age care. The PlusTime New Hampshire school-age care program received over $1.5 million in grants from Americorps and Eisenhower grants to increase the quality, supply, and availability of school-age programs.

New York increased funding for the Advantage After-School Program by $14.5 million, for a total of $20 million, and for the Extended Day/School Violence Prevention Program by $10 million, for a total of $30.2 million.

North Carolina implemented new administrative rules effective July 2000 to enable school-age providers to be eligible to receive a rated license and the corresponding financial benefits of achieving a higher rating. Previously, only school-age care providers who also served younger children were able to apply for a rated license. In addition, the state sponsored a number of projects for school-age care using CCDBG funds, including an Out-of-School-Time Inclusion Project, contributions to the School-Age Care Coalition Conference, training of community college early childhood faculty on school-age care, the addition of material on school-age care to the *Guide to Outdoor Learning*, special projects in flood-affected areas (summer camps and other enriching summer activities), and leadership education training for child care providers and other emerging leaders in the early childhood and school-age care fields.

Oklahoma continued to offer start-up and expansion grants to build school-age care capacity and sponsored an annual school-age conference and school-age facility institute. A research study was conducted to evaluate school-age programs that had received funding and examine how funding was used and which uses best impacted program quality. Additional research was conducted through a survey of elementary school principals in communities with a population of 5,000 or more. Principals provided information about the availability of out-of-school care in their communities, the importance of programs, program content and the need for more programs. This research will be utilized to determine funding priorities.

South Carolina made it easier for low-income working families with school-age children to maintain eligibility for child care assistance. Previously, the state had frozen intake and was serving all TANF and transitioning families, but no new low-income (non-TANF) families. Low-income families already receiving assistance were required to reapply for assistance annually. If the family needed child care assistance for a child under age six (or not yet in kindergarten), their eligibility could be renewed. However, if a child was between the ages of six and 13, renewal was denied and the family was not eligible for assistance.

South Dakota provided Out-of-School Time (OST) grants totaling $662,969 to 30 projects serving 54 program sites in 28 communities across the state. Forty-eight projects have been funded in the Governor's three-year OST grant initiative, totaling $2.1 million and providing slots for 3,783 students statewide. The state also adopted rules specific to out-of-school time programs, making it easier for programs operating in school buildings to become licensed. In addition, the state held a Leadership Conference on Out-of-School-Time child care.

Vermont expanded mini-grants for school-age start-up, developed and disseminated a school-age manual, expanded its school-age

conference to increase participation, and established a school-age network.

Washington dedicated $1.2 million of TANF reinvestment funds for capacity-building in school-age care; $300,000 was granted to the School's Out Consortium for professional development of school-age care staff. New school-age rules and regulations have been written, discussed in a public hearing process, adopted, and are being incorporated into the state's licensing regulations.

West Virginia appropriated an additional $500,000 to school-age programs for expansion, start-up, or enhancement.

Wisconsin provided quality improvement grants for the first time to school-age programs that are working towards the National School-Age Care Alliance accreditation. The state provides technical assistance to newly licensed providers and supported the creation of up to 900 new school-age care slots in Wisconsin. The state contracts with the Wisconsin Child Care Improvement Project (WCCIP) for a school-age child care initiative. This initiative promotes quality out-of-school programs through training opportunities and tip sheets on best practices for school-age care and summer programs. The initiative also developed and implemented the School-Age Mentor Teacher training program for inclusive care. Technical assistance and resources are provided to communities in establishing and expanding school-age care. This initiative included efforts to develop quality Hmong school-age programs in Milwaukee.

Wyoming released an RFP designed to develop programs for underserved populations, including school-age children.

ODD-HOUR CARE

With the growing number of low-income women entering the workforce, the availability of child care during odd-hours—the hours many of these women work—has become an increasingly important issue for children and families. Both the numbers of single mothers and welfare recipients in the paid labor force are escalating. The proportion of single mothers with jobs, after remaining steady at around 58 percent from 1986 to 1993, increased sharply to 71.5 percent in 1999.[23] Census Bureau figures on the employment of welfare recipients show a similar trend. In 1995, about 40 percent of welfare recipients worked at some time during the year. This proportion leapt to 58 percent by 1999. Many of these women find low-wage jobs, which often require work during hours when any child care—much less stable, supportive care—is difficult to locate. According to a report from the Urban Institute, more than 25 percent of low-income working families nationwide mainly work during evening or overnight shifts. In contrast, 83 percent of higher-income working families work traditional daytime hours, with only 17 percent primarily working evening hours or overnight.[24]

A number of states have responded to the expanding need for odd-hour care by setting higher rates for providers who offer it. In 2000, eight states implemented or raised differential rates for odd-hour care, including **the District of Columbia, Georgia, Maine, Maryland, Missouri, New York, Oklahoma,** and **West Virginia.** At least seven states began or expanded initiatives

targeted to increase the supply, maintain the existing capacity and/or improve the quality of odd-hour care, including **Arkansas, Kansas, Maine, Michigan, Pennsylvania, Washington,** and **Wisconsin.**

New State Action 2000: State by State Details

Arkansas allocated TANF block grant funds to expand odd-hour and sick care.

The District of Columbia updated the differential reimbursement rates for odd-hour care, implemented in 1999, to be consistent with the new tiered reimbursement system. The District provides an incentive of 10 percent more for evening care and 15 percent for overnight care, weekends, and holidays.

Georgia increased family child care and school-age care odd-hour rates, primarily in urban areas.

Kansas gives priority to any grant applications requesting funds to provide odd-hour care.

Maine approved $770,000 to provide child care subsidies to families that are employed during odd or nontraditional hours. The state also introduced rate adjustments for children served during nontraditional hours.

Maryland instituted a new differential rate for providers caring for children on weekdays between 7:00 p.m. and 6:00 a.m. or anytime on a weekend. These providers will be paid a differential between five percent and 15 percent above the child's authorized rate, depending on the number of hours the child is in care.

Michigan increased funding for its Enhanced Quality Improvement Program (EQUIP) from $900,000 to $1.4 million. EQUIP is a grant program for child care providers to improve quality and expand access to care, especially 24-hour care and weekend care. Grants range from $500 to $3,500.

Missouri added two more differential rates, one for centers serving a disproportionate share of low-income children and one for centers serving children with special needs. The new differential structure includes a 15 percent add-on for odd-hour care.

Nevada drafted regulations for licensed care after 9 p.m.

New York approved differential reimbursement rates for odd-hour care.

Oklahoma has new regulations that allow providers caring for children whose parents work 40 hours in three or four days per week to receive the same weekly reimbursement rate as providers caring for children five days per week.

Oregon is working with the Enterprise Foundation to develop a private funding/state subsidy formula for the construction of community child care centers to increase the availability of difficult-to-find care in rural communities, including odd-hour care.

Pennsylvania allocated $2 million in federal funds for child care providers who need assistance to maintain existing capacity. This expands upon a FY 1999–2000 capacity initiative, which provided $2.3 million for 639 grants for four categories of care, including odd-hour care.

Washington dedicated $288,524 of TANF reinvestment funds for capacity building in odd-hour care.

West Virginia instituted a reimbursement rate incentive of up to $3 per hour, per child, for odd-hour care.

Wisconsin administered grants through resource and referral agencies to assist in developing the supply of odd-hour care and to help cover start-up costs.

HEAD START, PREKINDERGARTEN, AND COLLABORATION

Given the importance of the early years to children's development and ability to succeed in school, ensuring access to high quality child care and early education experiences should be an essential component of any education reform plan. In quality child care and prekindergarten classes, children have frequent interaction, conversations, and storytelling time with their teachers. Prekindergarten children have opportunities to build their language and literacy skills so that they start school prepared to learn to read. These experiences can help children gain a better understanding of the structure and sound of words, the meaning of words, and the concept that print conveys meaning—all of which are crucial in developing literacy skills.

A study released in 2000 by a University of Wisconsin researcher again demonstrates the positive effects of a quality prekindergarten experience for low-income children. Children who attended one of Chicago's 24 Parent Child Centers (CPCs), which involved a high quality preschool experience, had a greater chance of completing high school, were less likely to be charged in juvenile court, and were less likely to repeat a grade.[25] These results are similar to other evaluations of quality preschool initiatives.

In 2000, 18 states began or expanded their investments in prekindergarten or Head Start, including **Alabama, Delaware, Georgia, Illinois, Iowa, Kansas, Kentucky, Maryland, Michigan, Mississippi, Nevada, New Mexico, New York, Ohio, Oklahoma, Oregon, Tennessee,** and **Wisconsin.** States also made it easier to collaborate by increasing state funds for prekindergarten,

promoting partnerships among child care, Head Start, and prekindergarten programs, and supporting wrap-around services for full-day care.

New Jersey took a strong stand on the quality of prekindergarten. The settlement of a 1996 school finance equity lawsuit (*Abbott v. Burke*) requires the state to provide funds for low-income school districts to extend part-day kindergarten to full-day for five-year-olds and offer half-day prekindergarten to three- and four-year-olds. In 2000, the New Jersey Supreme Court affirmed the rights of preschool children in the Abbott districts to well-planned, high quality early education. The Court conveyed a strong sense of urgency on behalf of the children, saying "another generation of children will pay the price for each year of delay." It supported collaboration between schools and other entities, acknowledging that use of existing community-based child care and Head Start programs for providing prekindergarten is "necessary and appropriate." At the same time, the Court rejected the notion that existing child care standards were adequate to provide a high quality program that would enable children to enter kindergarten on par with their more advantaged peers. The Court also stressed the need for high quality among programs in both community child care and public school settings.

New State Action 2000: State-by-State Details

Alabama established the Office of School Readiness to develop prekindergarten programs. Through the assistance of national foundations, private businesses, and government sources, eight pilot prekindergarten programs were started and plans are underway to bring prekindergarten programs to every county. The state Head Start Collaboration Office, housed in the Office of School Readiness, is developing partnerships on the state and local level.

Arizona required prekindergarten programs already receiving funding under the Early Childhood Block Grant Program to become accredited by July 2000, and new sites to become accredited within 18 months after receiving funds.

Arkansas developed the Early Childhood Framework benchmarking system, the Early Learning Literacy in Arkansas (ELLA) prekindergarten literacy training program, and a database of funding for all federal and state grant programs.

Delaware increased funding for its state prekindergarten initiative, allowing programs to offer extended-year services. Several have initiated full-year programs. The state also supported funding for full-day wrap-around child care through the state's child care assistance program for children enrolled in state prekindergarten programs.

The District of Columbia completed a nine-month pilot initiative to blend Head Start and child care funding to extend the Head Start day and year. The agreed-upon process,

developed with the assistance of Administration for Children and Families Region III staff, established a formal reimbursement rate for Head Start programs providing comprehensive child and family services for 11 to 12 hours per day for 12 months of the year. The state also changed eligibility rules to allow children eligible for both Head Start and child care to remain eligible for child care for a full-year instead of only six months. In addition, the Superintendent of Schools and the Associate Superintendent for Academic Affairs established a task force with Head Start, child care, and local universities to develop unified goals to ensure that all four-year-olds have similar preschool experiences, develop agreed-upon prekindergarten outcomes, and ensure that every family of a three- or four-year-old who wants early education services will receive those services.

Florida developed performance standards for school readiness programs and adopted an assessment process, which will be piloted for every kindergarten student entering public school. Administration of the state's prekindergarten program was moved to the Florida Partnership for School Readiness.

Georgia increased funding for its universal prekindergarten from $216 million to $225 million, allocated Child Care and Development Block Grant (CCDBG) funds for wrap-around care for Head Start and prekindergarten, and began two new Early Head Start programs with CCDBG funds (for a total of six). The state also started a new initiative blending funding to help Head Start programs meet state child care licensing standards and developed a strategic plan for the Head Start collaboration project, which includes voluntary licensing as a priority, as well as accreditation, professional development, and full-year/full-day programs.

Hawaii authorized automatic wrap-around care for TANF children attending a Head Start program as long as the CCDBG work requirement for their parents is met.

Illinois increased funding for its Early Childhood Block Grant from $170.2 million to $180.2 million, with all except $18 million going to prekindergarten programs. The state also continued to give emphasis to prekindergarten and child care collaboration in considering grant proposals for prekindergarten programs.

Indiana awarded three new funding grants totaling $555,924 to promote partnerships between Early Head Start or Head Start programs and early childhood development programs in three counties. The grants are part of the state's Head Start/Social Services Block Grant pilot projects at the Indiana Family and Social Services Administration (FSSA).

Iowa expanded Local Community Empowerment efforts—nearly $2 million of Community Empowerment Area funds currently support Head Start and Early Head Start programs.

Kansas continues to develop and strengthen partnerships between Early Head Start programs and community child care providers to deliver Early Head Start services in child care settings. WestEd training was continued for Head Start, Early Head Start and their partners. The state also held the Leadership Summit: The Road to School Readiness through a collaboration between the Department of Social and Rehabilitative Services, Department of Health and Environment, Department of Education, Kansas Head Start Association, Kansas Association of Child Care Resource and Referral Agencies, Children's Cabinet, Midwest Center for

Nonprofit Leadership, and other advocates. This was the first of several meetings to develop a unified approach to preparing children for success in school. In addition, seven Smart Start grants were funded by the state tobacco settlement. These grants provide communities with the opportunity to build on the strengths of their existing early care and education programs and create additional opportunities for all children ages birth to five. Smart Start Kansas funding will be used to enhance community partnerships and extend comprehensive, quality early childhood services that promote children's health and prepare them to enter school ready to learn and succeed.

Kentucky increased funding for prekindergarten by $5 million from 1998–1999 to 1999–2000 and by another $1.8 million for 2000–2002.

Louisiana granted CCDBG funds to Head Start centers to provide summer programs. The state also hosted Louisiana's First Summit on Young Children in March 2000.

Maine provided state Head Start programs with nearly $2 million to offer full-day, full-year services.

Maryland increased state funding for Head Start to $3 million to serve more enrolled children or to expand the Head Start day. Programs must be consistent with the Maryland Model for School Readiness (MMSR), a school readiness framework designed to enhance young children's readiness for school by improving assessment, instructional practices, staff development, communication with families, and program-to-program articulation. The MMSR includes a component to assess the skills and abilities of kindergarten students in the first few weeks of each school year. In addition, the state's General Assembly established the Judith P. Hoyer Early Child Care and Education Enhancement Program to create sites where comprehensive early child care and education services are provided for the purpose of promoting school readiness through collaboration, and/or to purchase child care and education services from an accredited provider, or to assist in obtaining accreditation. The state changed eligibility rules to extend eligibility for all families receiving child care assistance to be compatible with the Head Start school year.

Michigan expanded the Michigan School Readiness Program, the state's prekindergarten program, by increasing funding for part-day programs by $18.4 million (for a total of $84.7 million) and by increasing grant funding for Head Start, schools and child care programs to provide wrap-around care from $5 million to $20 million. The state also initiated a new parent involvement and education program for families of children from birth to kindergarten entry, funded at $45 million.

Mississippi allocated $20.3 million within the TANF block grant for child care quality enhancement grants to 172 centers, which included funding for full-day, full-year care in Head Start.

Missouri implemented the expansion of Early Head Start under the Early Childhood Development, Education and Care Fund passed in 1998.

Montana issued Head Start collaboration grants to communities to plan for collaborative services.

Nevada invested $150,000 in state funds for a Classroom on Wheels program to provide early childhood services to children in remote communities.

New Jersey followed a state Supreme Court order that called for stronger quality requirements for its prekindergarten program.

New Mexico established nine contracts between private child care and Head Start grantees to expand Early Head Start or Head Start services using TANF funding. The state also held a mini-conference on collaboration, funded by New Mexico's Head Start Collaboration project, to develop community teams for child care, and Early Head Start and Head Start partners.

New York allocated $225 million for the state's universal prekindergarten program for the third year of implementation (a minimum of $2,700 per student). Almost half of these funds are contracted to community-based organizations to provide prekindergarten services.

North Carolina Superior Court Judge Howard E. Manning, Jr. ruled that because a "sound basic education" is a constitutional right and early education is considered an integral component of this, the state must provide prekindergarten education to all "at-risk" four-year-olds. The ruling was made in a suit brought by families in five low-income counties. The court ruling applies only to those identified as "at-risk" students. Some school systems define this category to include children receiving free or reduced-price lunches, while the judge suggested that the category could also include children in poor health, those with under-educated parents, and those who are racial and ethnic minorities, as well as those from unstable homes or high-crime neighborhoods. Educators are looking at the creation of a system to reach a minimum of 40,000 four-year-olds.

North Dakota offered $500,000 in RFPs through the state collaboration office to Head Start programs across the state to apply for full-day/full-year funding. In October, the state held an Early Childhood Summit, a collaborative effort to produce a five-year plan for children's services and programs. The 60 participants included representatives from professional associations, resource and referral agencies, child protective services, Head Start, child care assistance, and the Department of Public Instruction. The Summit was sponsored by a Head Start State Collaboration supplemental grant. The resulting document will be utilized to inform community leaders representing child care, health care, special education, Head Start, Early Head Start, and business, as well as state legislators about the priority issues and concerns facing North Dakota's families.

Ohio's biennium budget increased state funding for Head Start from $97 million for 2000 to $100.1 million for 2001, and for public prekindergarten from $19 million for 2000 to $19.5 million for 2001. The state now requires Head Start teachers to obtain an Associate's degree by July 1, 2007. A state-level Head Start/child care workgroup continued to identify barriers to Head Start/child care collaboration and is working to provide training and technical assistance and to propose policy changes to increase opportunities for partnerships. A survey for the 1999–2000 Head Start program year showed that 9,286 children enrolled in Head Start in Ohio, an increase from 6,000 in 1998, received Head Start services in either a child care center or a family child care

home. The survey found that 380 child care centers and 200 certified family day care homes were participating in these collaborative efforts.

Oklahoma continued to expand its universal prekindergarten program with 13,728 children enrolled in half-day programs and 7,166 children enrolled in full-day programs.

Oregon maintained its support for Head Start/prekindergarten partnerships with child care for extended-day/year services and for efforts by local public schools to extend the kindergarten day with expanded funding. The state also continued to move toward the legislative target of serving 100 percent of its eligible Head Start/prekindergarten population by 2004. Using state funds, 634 additional children will be served in Head Start/prekindergarten, allowing the state to reach 50 percent of eligible children by June 30, 2001. In addition, the state adopted a rule allowing a waiver of co-payments for families receiving child care services under a contract with Head Start.

Rhode Island began certifying Comprehensive Child Care Services Networks—networks of child care providers that include licensed center-based programs, certified family child care homes, and other partners who deliver comprehensive "Head Start-like" child care services at an enhanced rate to the most disadvantaged children.

South Carolina set aside an estimated $2 million in CCDBG funding to increase the supply of quality child care services for low-income working parents by supporting Head Start and Early Head Start programs that are willing to offer on-site full-day and full-year child care. The ABC Child Care Program will offer each Head Start and Early Head Start grantee a one-time grant to improve quality. Child care vouchers and replacement vouchers are also included for each participating Head Start and Early Head Start program. A process has been implemented that allows Head Start and Early Head Start programs to take a limited number (for approximately 700 children) of child care applications anytime throughout the year. The state Department of Health and Human Services will determine eligibility and reimburse the Head Start programs via the automated management system, ABC Child Care Vouchers System.

Tennessee increased funding by $3 million for its early childhood education initiative.

Texas funded training for Head Start and other comprehensive early childhood programs based on the LEAP curriculum, as well as distance learning programs. Legislation passed last session provides funds for school districts and open-enrollment charter schools to implement or expand prekindergarten and kindergarten programs by operating an existing half-day program on a full-day basis, or by starting a prekindergarten program at a campus that does not have a prekindergarten program. Funds received may be used to employ teachers and other personnel for a kindergarten or prekindergarten program and to acquire curriculum materials or equipment, including computers, for use in kindergarten and prekindergarten programs. The expansion of prekindergarten has led to some local collaborations across the state. For example, the city of San Antonio has formed a collaboration using the schools and child care programs to train teachers on kindergarten readiness.

Utah supported new Head Start/child care partnerships with family child care providers. In addition, the state has developed an interagency roundtable with the Department of Health to ensure that government agencies are, at a minimum, communicating with each other about data and policies.

Vermont expanded contracts with the Head Start/Early Head Start program to support full-day/full-year services. As part of its efforts to ensure continuity of services, the state also made changes in eligibility requirements for child care so that families in these programs are only subject to annual reviews and can remain eligible for a full year.

Washington raised eligibility cutoff levels for the state prekindergarten program from 100 percent to 110 percent of the federal poverty level and supported various Washington Administrative Code changes to encourage collaboration and the aligning of prekindergarten standards with Head Start and child care. The state also supported child care integrated models, a shared outcomes workgroup to align missions, a workgroup to share client data, a system subcommittee on early childhood education and out-of-school time plan development, and the CHILD Profile workgroup. CHILD Profile is a comprehensive system for improving children's health status by increasing the appropriate utilization of preventative health care through health promotion and immunization tracking.

West Virginia allocated $1 million from the state legislature, $500,000 from the CCDBG, and $50,000 from the Head Start Collaboration program for its Educare pilot. The state also requested an additional $4 million from the Appalachian regional commission for administrative support for its pilot. The Educare grantees will be chosen from 11 projects that were asked to submit full proposals to address issues related to the expansion of slots, staff training and compensation, and other initiatives geared towards improving quality.

Wisconsin increased funding in the biennial budget for Head Start to $7.4 million using state and TANF dollars. This will help local Head Start programs expand services for Head Start and Early Head Start children. The budget also provided $10 million to develop Early Childhood Excellence Centers. The 18 funded centers, which include Head Start and child care programs, are committed to enhancing the quality of services to young children in their own centers as well as provide training and support to other community child care programs. In addition, the Head Start State Collaboration project continues to support the building of a seamless system of professional development in the state. This work includes creation of a common curriculum and competencies in the technical college system as well as establishment of articulation agreements between two- and four-year institutions.

EARLY LITERACY

Wherever children are cared for, it is essential that they be exposed to activities that encourage and support literacy. Children most at risk for reading difficulty in the early grades are those who began school with fewer verbal skills, less awareness of the connection between sounds and words, less knowledge of letters, and less familiarity with the basic purpose and mechanism of reading.

Recognizing the importance of early literacy, states are beginning to implement special initiatives focused on this area. However, it is critical that, as these initiatives grow, they move beyond efforts that involve solely traditional prekindergarten and Head Start settings and reach out to the broader child care community, as several states are now doing.

New Developments 2000: State by State Details

Alabama conducted a survey of all kindergarten teachers throughout the state to learn more about school readiness. Sponsored by VOICES for Alabama's Children, the state Department of Education, and the Department of Children's Affairs, the survey reflects the opinion of 80 percent of the state's kindergarten teachers. In addition, the Even Start Family Literacy Program, conducted through the state Department of Education, is helping to break the cycle of poverty and illiteracy by improving the educational opportunities available to low-income families with limited educational experiences who have young children.

Arkansas developed the Early Learning Literacy in Arkansas (ELLA) initiative, a literacy training program designed for prekindergarten teachers.

California added early literacy training models for prekindergarten teachers comparable to those available to kindergarten-to-third-grade teachers.

Delaware continued to support a collaborative initiative between the state Department of Education and the national Reading Is Fundamental Center. Through this initiative, each child who participates in the state's prekindergarten, Head Start, Parents As Teachers, Even Start, or early childhood special education programs is given several books. The initiative also supports the training of early care and education professionals in early literacy.

Kansas held the Leadership Summit: Road to School Readiness through a collaboration among the Department of Health and Environment, Department of Education, resource and referral agencies, Children's Cabinet, Midwest Center for Nonprofit Leadership, and other advocates. This was the first of several meetings to develop a unified approach to preparing children for success in school.

Maryland was a recipient of a federal Reading Excellence grant of over $14 million. The purpose of the Reading Excellence Act is to address the needs of at-risk students in the state by providing resources to implement research-based reading activities and improve literacy instruction at the elementary school level, targeting grades kindergarten through three. Based on a competitive process, 43 schools in eight local school systems received funds.

Massachusetts updated its market rate survey and approved a total of $25 million for rate increases that could be used for salary improvements or enhancements. Of this amount, $12.5 million is linked to the development of state-approved literacy standards (program requirements around literacy activities and curricula) and the establishment of a tiered rate that provides an incentive for programs to offer a higher level of literacy activities.

Michigan expanded the R.E.A.D.Y. (Read Educate and Develop Youth) Kits by creating three different kits targeted at parents with infants, toddlers, and preschoolers. The expanded kits include a literacy video on the importance of reading to children and have been distributed widely throughout the state. The state also established the Michigan Literacy Progress Profile (MLPP)—an assessment package for language arts for prekindergarten through grade three, developed by the state

Department of Education. The Department of Education provided extensive training about how to use the package effectively to teachers of prekindergarten through grade three. For FY 2001, the state allocated $30,000 for the development of the Family Fundamentals program (literacy activities for families to use at home), $50 million for a reading improvement program for children in preschool through fourth grade, $38 million for a summer school program that offers additional instruction in reading and math for children in grades one through four, $5 million to expand Regional Literacy Centers (run through Intermediate School Districts), and $2.5 million to expand the R.E.A.D.Y. kits. The expansion includes costs for disseminating additional kits and developing new products for the kits.

Mississippi received a federal Early Literacy grant for $45 million over three years for 45 schools to provide kindergarten-through-grade-three services, including collaboration with early care and education programs.

Nebraska began to use Heads Up! Reading, a new distance learning opportunity for providers throughout the state. The program is a 44-hour early literacy course for providers designed to help improve children's school readiness and literacy skills and to enhance teaching practices.

Nevada developed and distributed an Early Literacy Activity Calendar throughout the state. In addition, the HIPPY Program (Home Instruction for Preschool Youngsters), funded by grants from Sunrise Children's Hospital Foundation, is being offered in the northern and southern parts of the state.

New Jersey developed the Early Childhood Education Program Expectations: Standards of Quality through the state Department of Education. This document articulates the state standards for implementing a high quality, early childhood education program.

North Carolina is using approximately $750,000 of the Child Care and Development Block Grant (CCDBG) to fund the Division of Child Development to help Smart Start and the Frank Porter Graham Child Development Center implement North Carolina's first kindergarten readiness assessment. A sample of kindergarteners will be assessed this fall, with no specific identifying information on the children but with data that can help the state determine the degree to which children are prepared for school along various dimensions such as health and physical development, social and emotional development, approaches towards learning, language and communication development, and cognitive and general learning.

Ohio set aside $4.5 million of state Head Start funding over two years for early literacy training for teachers and administrators. The Child Care Division, in partnership with the Ohio Department of Education, funded Heads Up! Reading with the National Head Start Association.

Pennsylvania increased state education funding for Adult and Family Literacy by $5 million for FY 2000–2001. Of these funds, $3 million is allocated for more summer reading and prekindergarten story hours for parents and children, and approximately $2 million is to fund 25 additional Family Literacy programs, thereby expanding the programs to all of the state's 67 counties. In addition, the state began a four-year, $100 million Read to Succeed program in 1999–2000, targeting funding to school districts with students who have a need for intensive

reading instruction programs. The program requires schools to partner with Head Start and other community literacy programs serving preschool children.

Texas allocated funds to provide scientific, research-based pre-reading instruction for the purpose of directly improving pre-reading skills and for identifying cost-effective models for pre-reading intervention. The grants range from $50,000 to $150,000.

Utah provided a literacy kit to at-risk mothers through the health department's home visiting program. One-hundred trainers were trained to conduct 150 workshops for parents and child care providers to encourage in-home literacy by teaching parents about how to read to their child and how to write.

Vermont implemented Born to Read, a Business Roundtable initiative to complement other state and private efforts. In addition, AmeriCorps members supported literacy efforts with state funds.

Wisconsin combined state, federal, and local resources to offer family literacy programs and raise family literacy awareness statewide. The Department of Workforce Development awarded $17.8 million to local agencies to provide adult and child literacy programs. Using Even Start funds, the Department of Public Instruction awarded $2 million to local partnerships for the provision of family literacy services. The Wisconsin Technical College System awarded $6 million through the Adult Education and Family Literacy Act to provide, or partner with local literacy programs to provide, family literacy programs that are integrated into basic education and vocational training. The Department of Corrections has an initiative through which incarcerated parents write and illustrate books to be given to their children. Parents also record books on audio and videotape for their children. Many universities partner with local literacy providers to provide an array of services, including child tutors, adult tutors, tutor training, research, and statistical analysis. Finally, the Governor's Office of Literacy and Lifelong Learning works to provide awareness of literacy on a statewide and national level. It awarded $28,000 in grants to libraries to distribute print materials directly to family and center-based child care providers.

OTHER QUALITY AND SUPPLY INITIATIVES

High quality early care and education opportunities should be available to children whether their parents choose a local child care, Head Start, or prekindergarten program. While there has been an increase in funds targeted to quality, individual child care programs still do not have access to the resources that they need to provide high quality child care. The combination of a certificate-driven system for child care assistance that does not guarantee programs a specified amount of funds necessary to provide a certain level of service, and a market system that is dependent on low wages for staff, makes it exceedingly difficult for child care programs serving low-income children to stay in business, much less offer the best possible care.

In addition to initiatives discussed in previous chapters, states continued to support an array of strategies aimed at improving the quality and increasing the supply of child care in 2000. These included grants to help programs become accredited, increases in funding and expansion of roles for state resource and referral systems, public information campaigns, support for greater child care options for sick children, and efforts to bolster the quality of informal care.

New State Actions 2000: State by State Details

Arizona increased funding for the Child Care Resource and Referral consumer education collaboration, which promotes resource and referral services as well as the importance of quality child care.

Arkansas utilized the Child Care and Development Block Grant (CCDBG) quality set-aside for research-based demonstration projects such as mentoring, infant and toddler programs, and laboratory schools.

California set aside $26.4 million in quality funds to double the level of training of TANF recipients as child care providers and teachers ($4 million), pilot centralized waiting lists for state subsidies ($1.5 million), implement new playground safety regulations at child care programs receiving state subsidies ($6 million), put in place a child care accreditation project ($5 million), and support facilities renovation and repair ($9.9 million).

Colorado increased funding for resource and referral programs by one-third and authorized resource and referral in statute.

Connecticut expanded funding for quality enhancement efforts, including educational consultation and staff development, and quality assurance activities for programs.

Delaware used CCDBG quality funds for the state's Early Success initiative, which established the Office of Early Childhood in the State Department of Education.

The District of Columbia awarded a grant to support monitoring of in-home and relative child care providers. The grantee provides home visits, quarterly networking opportunities, and a newsletter.

Florida's school readiness coalitions with approved plans may direct up to five percent of their total coalition allocation (a combination of prekindergarten and subsidized child care funds) towards locally determined quality initiatives.

Georgia awarded quality funds to child care resource and referral agencies to hire inclusion specialists and to lease vans to reach rural areas.

Hawaii implemented a statewide Legal Exempt Quality Project to improve the quality of care provided by relatives, friends, neighbors, and other unlicensed but legal entities. A contractor works with parents and providers to inform them of age-appropriate behavior and skill development.

Illinois expanded its Quality Counts program statewide. Quality Counts is a public information and outreach program that focuses on the importance of quality child care, helps parents identify issues to consider when selecting care, and provides resources to assist child care practitioners in offering quality child care. As part of the program, 18 regional child care resource and referral agencies received a Quality Counts van stocked with books, learning games, and other literacy-related materials, as well as technical assistance materials to be used in on-site visits to child care centers and family child care homes. The program is currently funded at $900,000.

Iowa transferred nearly $3.8 million of additional TANF funds for local Community Empowerment Area child care initiatives. In addition, three child care grant projects were funded, which included emergency grants

and start-up assistance grants for providers of school-age care, and educational opportunities for registered family child care providers to improve services and increase the number of providers.

Kansas purchased *Healthy Child Care* magazine subscriptions for licensed, registered, and relative child care providers, resource and referral agencies, child care licensing surveyors and Social Rehabilitative Services (SRS) Area Offices and purchased a child care provider survival kit for all SRS-contracted child care providers. The survival kit includes a 2001 calendar formatted with information about health, nutrition, best practices and currently available resources.

Kentucky hired additional personnel in resource and referral agencies to provide technical assistance to programs on professional development within a new scholarship program to encourage caregivers to seek increased educational opportunities. In addition, the state used quality funds to establish a new state resource and referral network office and place more child care health consultants in local health departments.

Maine provided funding for resource and referral agencies to hire an education specialist to support child care providers in advancing their training and education, and increased funding for resource and referral agencies for COLAs, computers, a single statewide referrals database, space, and other needs. The state also funded two-and-a-half staff positions in the state Fire Marshal's office.

Michigan increased funding for EQUIP (Enhanced Quality Improvement Program) from $900,000 to $1.4 million for child care providers to improve the quality of their programs and expand access to child care, especially 24-hour care and weekend care. Grants will range from $500 to $3,500. EQUIP expansion money ($350,000) will specifically be used for a grant pool to establish new family and group home child care providers by helping with start-up costs and $200,000 has been designated as matching funds for child care center start-up.

Missouri awarded the Missouri Child Care Resource and Referral Network a contract from the Department of Health for inclusion services. Every resource and referral agency in the state will now have an inclusion coordinator responsible for providing enhanced referral services to parents of children with special needs. Coordinators will also offer individualized training for child care providers and promote advocacy for inclusion in the communities.

Nevada committed more than seven percent of the CCDBG for quality. The funds are used to provide grants to increase infant/toddler slots and improve quality in licensed child care, establish a child care Apprenticeship Program, offer scholarships for early childhood classes at state community colleges and universities to all eligible providers, and provide wrap-around funds for Early Head Start programs. In addition, the state is funding a quality enhancement project through a partnership with the University of Nevada. It also created a mobile child care workforce in targeted areas in the northern and southern parts of the state to provide in-home sick child care, and substitutes for licensed centers and family child care providers who are registered with the program. The 2000 budget also allocated $1.3 million for school-age resource and referral services.

New Hampshire changed the focus of its child care resource and referral program to give increased attention to low-income clients.

New Mexico implemented sick child care pilot programs in six counties.

New York allocated $40 million in new funding to support quality and expansion initiatives, including extended-hour care and family child care networks.

North Carolina's Division of Child Development (DCD) used federal CCDBG infant/toddler funds to purchase 1,100 car seats for infants and toddlers and distribute them to families who lost car seats due to the hurricane. This effort is linked to an initiative spearheaded by the Governor's Highway Safety Commission. DCD also contracted with the Cooperative Extension Service (4-H Youth and Development) to expand the availability of summer care for school-age children in flood counties. The CCDBG-funded summer availability projects made it possible for school-age children to attend camp and be in safe, healthy, enriching environments while their parents returned to work or continued to deal with flood recovery.

In addition, the state used CCDBG funding to support a study by the Frank Porter Graham Child Development Center/Partnerships for Inclusion to analyze how Smart Start has contributed to quality inclusive child care.

Ohio funded two projects to identify best practices and develop materials on encouraging business involvement, supporting employees' child care needs, and serving children with special needs in child care. The Governor also appointed a Shareholders Group, with a subcommittee on child care, to research and make recommendations on state quality initiatives. The Shareholders Group created a guide, "Step Up To Quality," that includes several child care recommendations. One recommendation is to implement a system of research-based, voluntary improvement steps (tiers) targeted at centers serving very low-income children. This effort would include providing support for centers to reach a higher step, financially rewarding upward movement, and educating the public on the meaning of the tiers. Another recommendation is the creation of a child care facilities development and improvement fund for both centers and homes. Other recommendations include: the development of a computer-based on-line child care subsidy eligibility determination system that can be accessed remotely by families and providers incorporating a simplified eligibility process and presumptive eligibility period, and the initiation of a year-round public information and marketing campaign.

Oklahoma is providing child care workers with subscriptions to *Healthy Child Care, Oklahoma Child Care, Child Care Information Exchange* (for centers), and *Everyday TLC* (for homes).

Oregon initiated a public information campaign, "Five Steps to Quality Child Care," to inform parents about the importance of quality child care. Campaign partners also produced a resource guide for providers on inclusive child care entitled "Open Hearts, Open Doors." In addition, a study of the costs of resource and referral services was completed in partnership with the resource and referral network. The state also provided a small amount of funding to help providers meet requirements for receiving enhanced rates.

Pennsylvania transferred $500,000 from the CCDBG to the state's Economic Development Department to provide up to $50,000 in one-time start-up grants for non-profit child care endeavors and provided $2 million

in federal funds for child care providers who need assistance to maintain their existing capacity. This extends the FY 1999–2000 $2.3 million capacity-building initiative, which supports 639 grants for infant/toddler care, nontraditional-hours care, start-up of summer care, expansion of family to group child care home, and licensing needs. The initiative funded minor repairs or renovation costs, including labor costs to meet zoning codes, best practice compliance, and equipment to meet licensing requirements for inclusion of children with special needs.

The state provided $2 million for the resource and referral system to enhance services by purchasing NACCRRAware, a national standardized software program on child care availability and management of CCR&R services; by training resource and referral staff in various areas, including counseling TANF families on selection of child care prior to their beginning work or training; and by standardizing CCR&Rs statewide.

West Virginia offered quality improvement grants of up to $10,000.

Wisconsin more than doubled funding to improve the quality and supply of child care in 2000 to a budget level of $26 million annually. In addition to expanding the state T.E.A.C.H.® program, increasing funding for the local grant program, expanding funding for Head Start, increasing CCDBG funding for licensing, establishing a statewide automated file of regulated providers, and funding a new Early Childhood Excellence Initiative, the $26 million enabled the state to:

- increase the base budgets for resource and referral agencies by 25 percent;
- allocate $4 million over the biennium for a new grants program for child care providers serving low-income families to develop care for sick children, and other efforts to improve the quality and supply of child care programs (to be administered by resource and referral agencies);
- allocate $1.2 million over the biennium for the Safe Child Care program to increase site visits and technical assistance to family child care settings certified to receive child care subsidy funding.

PLANNING AND LOCAL INVOLVEMENT

States are promoting a wide range of planning activities aimed at coordinating their early childhood resources for more comprehensive and effective efforts to help children and families. A few states have undertaken the development of statewide early childhood plans or are seeking the input of the early childhood community across the state to pinpoint gaps in supports for children and families as well as providers. Other states are following **North Carolina's** lead and encouraging local planning for comprehensive early childhood services, including early care and education, health care, and family support, through community partnerships. These states are either charging all of their communities or a group of communities with the responsibility of developing an early childhood plan that would improve and expand early childhood resources. This approach is not based on funding a specific program. Rather, it allows each community to select from a variety of activities based on its individual needs and priorities.

In some states, these initiatives may be limited to child care, Head Start, or prekindergarten programs, while in others they may be more broad-based and include initiatives such as family support, home visits, health services, and parent education. In some instances, communities are eligible for new funds to help fill in the gaps that their plans have revealed. In others, localities are expected to make their existing set of programs more efficient without receiving additional state resources. States also vary in who administers these programs, the geographic boundaries of the entities that are defined as

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communities, the membership of the state and local councils, and the initiative's basic goals and objectives.

As states consider providing increased responsibility to local communities, it is essential that they do the following:

- Establish a minimum floor, below which no community can fall, for child care assistance policies such as eligibility guidelines, reimbursement rates, and parent co-payments.
- Continue to support major initiatives that bolster the quality of child care, including not only basic licensing standards, but also efforts such as prekindergarten programs and caregiver compensation initiatives.
- Offer sufficient new financial support to address gaps identified by local planning efforts. Simply making programs more efficient will not free enough resources to meet community needs—the limited resources currently available can only be stretched so far.
- Fund staff for local collaboratives who can assist in needs assessment, planning, and program implementation.
- Provide local collaboratives with ongoing training and technical assistance in developing and implementing their plans and overcoming obstacles to collaboration.
- Require that local collaboratives include a broad representation of the community, from child care providers to parents to business leaders, as well as the heads of various local agencies serving children and families who have the authority to make collaboration a reality.
- Establish clear guidelines on what responsibilities the councils should have and what the goals of the planning process should be.
- Establish state and local benchmarks at the beginning of the project.
- Develop an evaluation component that determines whether local initiatives are moving toward meeting these benchmarks.
- Allow adequate time for projects to get off the ground before evaluating them.
- Provide room for communities to take risks and make mistakes, so they can learn from them and continuously improve their strategies.
- Ensure that states have adequate oversight over local initiatives.

In 2000, **Colorado, Iowa, North Carolina,** and **South Carolina** expanded resources available to local communities for implementing their early childhood plans. **Kentucky** and **Kansas** used funds from the tobacco settlement to enhance community partnerships.

The U.S. Congress also took action in support of local planning last year, enacting the Early Learning Opportunities Act. Twenty million dollars will be available for demonstration grants to local communities to begin a planning process and provide new resources targeted to early childhood.

New State Action 2000: State-by-State Details

Alabama created Alabama Children's Policy Councils to address the needs of children at the state and county level. The state council consists of state agency heads, elected officials, and advocacy organizations. The Commissioner of the Department of Children's Affairs serves as chairman of the state council. Juvenile judges serve as the chairs of the county councils, which also include the local agency heads, elected officials, and advocacy organizations, among others. The state council and the individual county councils are charged with assessing the needs of their communities and making recommendations for appropriate policy changes at the state level. Through the county policy councils, local agencies can access Children First funds (a portion of the tobacco lawsuit settlement earmarked for family and children services).

Arizona's first Child Care Summit was convened by the United Way of Tucson and southern Arizona's First Focus on Kids initiative. The Summit was sponsored in part by the Arizona Department of Economic Security and local businesses. The Summit attendees included constituents from business, education, medicine, child care, government, and human services, and parents. Participants were presented with a call to action on behalf of young children and concluded with a signed commitment to advance high quality care and education in the state.

Arkansas conducted a series of public meetings across the state to solicit input on issues for the legislative agenda and formed a Kids Count group which included early child care professionals and providers to support early care and education issues throughout the session.

California's legislature delegated responsibility for determining how to distribute provider compensation funds and administering the distribution of these funds to Child Care Local Planning Councils (one in each county). Councils are investing in a range of strategies, including initiatives to raise compensation for child care providers, develop training programs, improve the quality of facilities, and provide family support and parent education.

Colorado expanded its consolidated child care pilots, increasing the number of local early childhood planning councils from 12 to 18.

Connecticut convened a strategic planning initiative to connect kith and kin providers to the formal child care community. Some initial strategies include the targeting of a specific percentage of quality funds to serve

kith and kin providers and the development of provider networks that include kith and kin providers.

The District of Columbia established an early care and education community workgroup with the assistance of the University of the District of Columbia. The group identified and prioritized the top ten child care issues, developed a vision and mission statement, and defined six strategic goals and action steps.

Florida continued to work on the creation of 57 local school readiness coalitions emphasizing local collaboration and greater coordination of resources at the state and local level. Local coalitions assess their communities' needs and develop plans for using various sources of early childhood funding. Resources currently being used to administer the subsidized child care program, the prekindergarten program, and other early education and care programs will be redirected to allow the coalitions to administer these programs.

Georgia continued its statewide effort to develop a plan to improve the quality of early learning in Georgia through the Georgia Early Learning Initiative (GELI). GELI recommended that the Governor appoint a task force to devise a strategy to enhance, consolidate, and coordinate services for all of the state's young children and their families and pilot a voluntary tiered reimbursement system for child care centers and family child care homes. The pilot would include training and technical assistance to help providers increase their quality so they could move to the next tier and qualify for the higher reimbursement rate. GELI also recommended enacting a tax credit for parents who choose higher quality care, increasing funding for provider training and compensation programs such as T.E.A.C.H.®, and offering bonuses for teachers and family child care providers who complete advanced education. The state also awarded a small grant to the Quality Care for Children organization to work with Family Connection sites in central Georgia to help them integrate early learning strategies into their counties' plans for children and youths.

Iowa allocated $15.6 million—an increase of $5.2 million over the previous year—for the Community Empowerment Program. Some of these funds are to be used for school readiness grants to support a comprehensive School Ready Children plan designed by local community empowerment boards. In addition, the state Education and Health and Human Services Departments coordinated a Leadership Council for Professional Development to hear recommendations from an advisory committee on the establishment of an early care and education professional development system.

Kansas funded seven Smart Start grants through the state tobacco settlement. These grants provide communities with the opportunity to build on the strengths of their existing early care and education programs and create additional opportunities for all children ages birth to five. Smart Start Kansas funding will be used to enhance community partnerships and extend comprehensive, quality early childhood services that promote children's health and prepare them to enter school ready to learn and succeed. In addition, the state targeted 15 communities in five regions to develop short- and long-term plans to support early care and education professional development, and plans to expand to five additional communities that will organize their own teams. These teams

include Head Start, Early Head Start, Interagency Coordinating Councils, businesses, and education. The Head Start Collaboration Office Grant provided funding to extend the Professional Development Initiative Learning Cluster Concept statewide.

Kentucky passed early childhood legislation to establish local councils in each of the state's 120 counties. These councils will include representatives of all types of early childhood providers, as well as from resource and referral programs, family resource centers, and health and education agencies. The state will make $160 million available as seed money for local councils to use to plan early care and education programs and services in their communities. The local councils will also make recommendations to the state's Early Childhood Development Authority on ways to improve the system.

Louisiana hosted the state's First Summit on Young Children in March 2000, which produced a report and developed pilot projects for prekindergarten and coordinated services.

Maine continued to promote collaboration through the funding of the Alliance for Child Care, Early Education, and Support Services (ACCESS). ACCESS is composed of members from family child care, center-based care, school-age care, resource and referral agencies, and Head Start.

Michigan allocated $100,000 in matching funds for the continuation of the Ready To Succeed Dialogue, now in its third year. The Dialogue is a statewide initiative established to examine how the state can develop a universal, high quality system that assures every child the chance to enter kindergarten ready to learn. Planning and financial support continues for Healthy Child Care Michigan for public health and mental health services for children in child care.

Montana hosted a forum on the future of early care and education.

Nebraska formed the Early Childhood Interagency Team headed by the Lieutenant Governor to look for ways to increase the efficiency of child care services and better plan and coordinate efforts to improve state services.

Nevada expanded membership on the State's Child Care Advisory Committee to include representatives from the medical community, the business community, and the hotel, gaming, and insurance industries, and established a subcommittee for the Map to Inclusive Child Care program funded through the U.S. Department of Health and Human Services. The state also expanded efforts to more directly involve local entities such as counties and cities in decision-making.

New Hampshire awarded a three-year grant to the New Hampshire Child Care Association from the Community Development Finance Authority to assist in planning and increasing business involvement in child care. Also in 2000, the Regional Planning Commissions began meeting regularly with child care advocates and providers to determine how best to include child care needs in the community planning efforts.

North Carolina expanded Smart Start by $44 million and allowed the carry-forward of funding for a total of $274 million in SFY 2000–2001.

Oklahoma saw the creation of a Governor's Task Force on Early Childhood Education that presented its report to the Governor in November. It is anticipated that recommendations will be introduced in legislation for 2001.

Oregon counties completed the first phase of an early childhood planning process required by legislation passed in 1999. The initiative will result in more effective local early childhood services through universal screening, home visits, and coordinated case planning. The Governor also announced an Oregon Children's Plan initiative that targets $66 million in new and redirected funding to offer voluntary screening of all first births and offer at-risk families access to community and in-home services.

Pennsylvania allocated an additional $1 million for local planning initiatives which expands total funding to $6.3 million in FY 2000–2001. Regional child care resource and development organizations will distribute the funding to develop community planning, infant/toddler programs, programs working with behaviorally challenged children, and school-age programs.

South Carolina appropriated an additional $10 million in state funds for the First Steps to School Readiness initiative, bringing total funding to $30 million in FY 2000–2001. This initiative provides public and private resources through county partnerships for high quality, early childhood development and education services that support families' efforts to help their children reach first grade ready to succeed. Local collaborative plans have been developed by most counties. The counties must promote school readiness, focusing on high quality child care, health and preventive care, family support services, parent education and training and early education. The First Steps to School Readiness initiative will also promote quality child care through activities and services that focus on staff training and professional development incentives, quality cognitive learning programs, voluntary accreditation, accessibility to quality child care and development resources, and affordability.

South Dakota formed a workgroup to promote inclusion of families with children with special needs. A survey completed by the Department of Human Services indicated that families who have a child with a disability have a very difficult time finding appropriate child care. The Office of Child Care Services responded by organizing and overseeing the implementation of the Child Care Inclusion workgroup, which represents many agencies and organizations, including the state Department of Human Services, Growing Up Together, Office of Child Care Services, Family Support Coordinators, South Dakota Parent Connection, South Dakota Department of Education and Cultural Affairs, South Dakota Children's Hospital and School, YMCA, Children's Home Society, South Dakota University Affiliated Program, Early Childhood Enrichment Programs, Easter Seals, Family Support Council, South Dakota Department of Health, Sioux Falls School District, Office of Medical Services, parents of a child with a disability, and child care providers.

Preliminary results from the work group include: adding inclusion to the list of required training topics for regulated child care providers; providing inclusion training to child care providers statewide; offering incentives for family child care providers to serve additional children with special needs; creating an easy-to-use resource directory for child care providers covering a variety of topics related to serving children with special needs; and increasing reimbursement rates for child care providers caring for children with special needs.

Vermont formalized the role of the Early Childhood Steering Committee to the 12 local/regional Early Childhood Councils with an appointed liaison and expanded the use of Success by Six funds to support the regional council activities. The relationship between the committee and the councils is locally determined.

Washington held 14 statewide community forums to obtain feedback from child care providers. The Governor also initiated a study of child care and early learning organizations within the state infrastructure. With Child Care and Development Block Grant (CCDBG) funds, the Child Care Coordinating Committee has awarded a contract to the University of Washington's Human Policy Center to study the quality and availability of the "family, friends and neighbors" child care system. "Brain Squads" have been established in every county, as well as early childhood interagency coordinating councils that address issues for children with special needs. The Office of Child Care Policy will be merged with Department of Health Licensors and Economic Services units. The Child Care Coordinating Committee is funding Project Lift Off, a two-year project on full financing for child care in the state, which has an eight-point agenda to expand and improve the quality of early childhood education/care and out of-school time. The CCDBG also funded the staffing of the Governor's Commission on Early Learning. The Commission, which expired on June 30, 2000, focused on improving the quality of child care, increasing the accessibility and quality of parent education, and providing resources and information on brain development of children from birth to age five. Over $2 million in quality grants funded systemic collaborations across statewide and local community projects.

West Virginia required all funded Educare pilot programs (the state's early education initiative) to involve child care, Head Start, Birth to Three, public prekindergarten, and parents.

Wisconsin approved a child care pass-through proposal which allowed local public agencies to draw down federal child care matching dollars in 2000 using their own funds because the state did not provide the state match to draw down all of its CCDBG funds. The state also awarded $11.4 million to 84 local organizations, including 38 counties, four cities, 26 school districts, 10 technical colleges, and five tribes, to improve the quality and availability of child care across the state. Each of these grants involve local collaboration among schools, Head Start, child care, and other community programs. In addition, a statewide coalition of public and private agencies called Wisconsin Early Childhood Collaborating Partners worked with local planning groups to improve early childhood services at the local level. The coalition focused on sharing local success stories and strategies through meetings, conferences, and the Internet.

Wyoming released an RFP designed to develop programs for underserved populations and to fund a collaboration project about community systems development. The project RFP requires collaboration among local government, businesses, economic development groups, education, child care providers, parents, and other early childhood professionals.

PROMOTING BUSINESS INVOLVEMENT

iven the enormous gaps that exist in the affordability, quality, and supply of child care, it is essential that a broad array of players, including the business community, invest in early childhood. Currently, only one percent of funds spent on child care comes from employers, while parents pay 60 percent of the cost and the government covers 39 percent.[26]

What limited employer benefits that do exist may not be targeted to low-income families. A recent Massachusetts study, *Choices and Tradeoffs: The Parent Survey on Child Care in Massachusetts*, found that while close to one-third of high-income families had employers who sponsored child care benefits, the same was true for only 5.8 percent of low-income families and 10.1 percent of middle-income families.[27]

In 2000, an increasing number of states developed new initiatives to encourage greater business involvement in child care. Five states, **Indiana, Minnesota, Montana, Oregon,** and **Texas**, focused on their resource and referral programs to provide support to employers. In addition, **Illinois, Maine,** and **Texas** implemented or expanded a business tax credit.

NEW STATE ACTION 2000: STATE BY STATE HIGHLIGHTS

Alabama established the Governor's Commission on Early Learning. Composed of business leaders, the commission will work with an advisory committee of providers and children's advocates to improve early learning opportunities and create partnerships between government leaders and the business community.

Arkansas organized Arkansas Corporate Champions for Children, a public-private funding initiative ($1 million for the first year) commissioned by the Governor involving business and community leaders to support services for working parents.

The District of Columbia held a forum on child care for D.C. Chamber of Commerce members and conducted a survey of Chamber of Commerce businesses to determine their involvement in child care issues and responsiveness to the needs of their employees. In addition, the District formed the Downtown Child Care Partnership with the hotel and hospitality industry and the federal General Services Administration, which focused on developing a new downtown child care site specifically to provide odd-hour care.

Illinois enacted a tax credit for corporations that directly subsidize their employees' child care costs or provide and operate (independently, or in partnership with other corporations) a child care facility for children of employees.

Indiana established the Business Partnership Specialist Project funded by the Division of Family and Children with the Indiana Association for Child Care Resource and Referral Agencies and the Indiana Child Care Fund, the state's formal public-private partnership. The project encourages local communities to increase the role of the private sector as a leader for child care issues and investor in high quality child care for working families. A statewide network of specialists consults with corporations, educates the community on work/family issues, advises community organizations of local employer interest, and is building a business mentoring network to produce private sector investments in child care for their low-income employees. In addition, the state presented Business Childcare Awards to 24 companies that provide child care support to their employees by contributing to the cost of employees' child care or by offering on-site child care facilities, resource and referral services, health care and time-off options, and/or sliding fees for parents.

Kentucky established a Business Council as part of its Early Childhood Initiative. It is composed of business and community leaders who have demonstrated an interest in early childhood care and education and helping parents balance competing demands of work and family. The goal is to involve the corporate community and local governments in supporting issues of importance to working families in Kentucky.

Maine convened a child care/business advisory commission to study child care from an employer/business perspective. The state also doubled the child care tax credit for employers supporting accredited child care as part of their employee assistance program and opened Tax Incentive Financing (TIF), which is a set of state tax breaks for businesses, to allow it to be used for meeting employee child care needs.

Minnesota funded the position of Employer Services Coordinator within the state Child Care Resource and Referral Network to provide technical assistance to its 23 member agencies in their work with employers. Learning Labs were developed to increase participants' ability to provide effective consultation with employers, to make effective presentations to a variety of audiences, and to create a presentation template that can be tailored for different audiences. The legislature also provided $25,000 to the state Department of Children, Families, and Learning to develop materials on the Dependent Care Assistance Program (DCAP) in order to encourage more small- and medium-sized employers to offer this option, which allows employees to cover their child care expenses with pre-tax dollars. In conjunction with the release of the DCAP brochure, the Child Care Resource and Referral Network is sponsoring a series of five regional Employer Seminars to increase the business community's awareness of, and investment in, early child care and education and to link businesses with child care solutions, such as child care resource and referral, the DCAP, and community partnerships to build capacity. Several prominent business people served on the Early Childhood Care and Education Finance Commission, which developed a blueprint for early education and investment by the state, the private sector, and parents over the next five years.

In addition, the state implemented a special rule allowing employers who set up on-site centers with 14 or fewer children to be subject to family child care regulations instead of center regulations. This special rule also applies to congregations sponsoring on-site centers. The state has set aside $317,000 to fund a new project modeled after the California LINCC (Local Investment in Child Care) Project as well. LINCC produces county and statewide child care economic impact studies and works with local partners to find new sources of funding as well as more traditional sources for child care facilities, subsidies, worker training, and other initiatives.

Montana contracted with the resource and referral network to conduct business outreach.

Nebraska enacted legislation creating a 50-person Early Childhood Interagency Coordinating Council chaired by a business leader for the first rotation and including five to 10 business leaders who will serve for specific terms.

Nevada held a Family Friendly Business Workshop at the State AEYC Conference in partnership with the Women's Bureau of the U.S. Department of Labor for human resource managers at area businesses. A panel of representatives from business highlighted their strategies to meet families' needs. The state is also in the process of restructuring the Childcare Advisory Committee to include more business representation. In addition, a child care business training initiative was developed and conducted in conjunction with Nevada Microenterprise Initiative, Bank of America, and U.S. Bank. The initiative is aimed at teaching business skills to current and potential providers.

New Hampshire established New Hampshire Business Partners for Early Learning, which stemmed from earlier work by the Governor's New Hampshire Business Commission on Child Care, as an independent, non-profit organization. Among its first priorities is to ensure that all child care providers in the state have health insurance.

Ohio funded new activities to identify best practices and develop materials for encouraging business involvement in supporting employees' child care needs.

Oklahoma created the Business Roundtable in an effort to form a collaboration among government, private sector business, child care advocates, philanthropic organizations, and local communities. Representatives from these areas focused on improving existing child care facilities. The Business Roundtable plans to target high-need communities and assist providers in making capital improvements to facilities. The Department of Human Services has requested $1.25 million in state funds for this initiative. Debt, federal grants, and philanthropic funding will yield the additional $3.75 million to fund the $5 million program.

Oregon funded the Work-Life Effectiveness Training offered by Work & Family Connections, Inc. The training will be provided statewide to resource and referral agencies, which will, in turn, conduct the course for employers in their local communities.

Pennsylvania worked with a coalition of business leaders who have become strong advocates for early childhood education and are greatly responsible for the administration's consideration of a school readiness initiative.

Tennessee appointed a task group to further involve the business community.

Texas funded 20 additional employer collaborative projects that bring together the talents and resources of area business and community leaders. The state also funded the Texas Association of Resource and Referral to provide technical support and information sharing for these employer collaborative projects. In addition, a franchise tax credit for employers supporting child care for their employees was implemented.

Washington launched the Corporate Champions Initiative through the Seattle Chamber of Commerce to increase the quality of early care and education and out-of-school-time care in King County. Seattle's Project Lift Off aims to increase the number of "family-friendly" companies in the city.

Wisconsin hired a new staff person in the Department of Workforce Development (DWD) to work with employers on child care issues. The position is focused on supporting the development of employer-sponsored child care options as well as strategies to stabilize the child care industry. DWD awarded grants, totaling $180,000 in 2000, to 11 employers to start up child care programs.

ADMINISTRATION

number of states made changes in their administrative structure or policies regarding child care and early education. In some cases, the changes will allow for a stronger focus on the quality of support for children and families. In others, they will help to expedite the eligibility process for subsidies for parents and providers.

The administration of early childhood education, child care, and school-age programs has a profound impact not only on how easy it is for families to access these programs, but also on whether families can gain access at all. If families cannot even determine where they need to go to apply to participate, they cannot qualify to receive services for which they are eligible. If families are required to re-verify their eligibility at frequent intervals or through a cumbersome process, they may lose the assistance or services they need. On the other hand, effective administration can make the process of applying for care and education programs straightforward, give families an opportunity to learn more about choosing quality care, and point them to additional programs and services for which they may qualify, such as child health care or social services. Considering the many stresses that families, particularly low-income families, already face as they struggle to balance work and family demands and make ends meet, it is essential that programs are administered in a way that responds to the needs of families rather than creating additional burdens.

New State Action 2000: State by State Details

Alabama established the Department of Children's Affairs to coordinate state and local agencies and ensure that services are maximized for the benefit of the state's children. The Child Day Care Partnership was also created in the Department of Human Resources to combine all child care efforts—licensing, child care subsidies, and quality initiatives—under one umbrella.

Alaska consolidated child care, Head Start, and other early childhood programs in the new Department of Education and Early Development.

Arizona advanced an initiative to expedite child care services for welfare clients attending the JOBS orientation.

Colorado passed legislation establishing a Commission on Child Care, made up of legislators and gubernatorial appointees.

Connecticut now allows school readiness districts to establish a single point of entry in their communities for parents seeking a school readiness program.

Delaware's Early Success created the legislatively-approved Office of Early Childhood within the state Department of Education.

Florida transferred responsibility for the administration of the Child Care and Development Block Grant (CCDBG) to the Florida Partnership for School Readiness and transferred staff from the Department of Children and Families and the Department of Education to the Florida Partnership. A simplified point-of-entry system will include a statewide database that can be accessed from various locations in any given community. The end result will be a unified waiting list for, and central access to, services such as child care, Head Start, and prekindergarten available in a community.

Georgia contracted with MAXIMUS to establish child care provider management and payment system pilots in 26 counties.

Hawaii is negotiating more contracts to give vendors responsibility for child care service payment eligibility and to authorize payment each month. This is to allow agency staff to focus on licensing to better meet timelines and improve the quality of monitoring reviews.

Indiana moved all Title XX Social Services Block Grant child care contracts into the CCDBG funding stream while maintaining Title XX program elements.

Minnesota required the Department of Children, Families and Learning (CFL) to provide technical assistance to local county agencies on ways to streamline the child care assistance application process for minor parents participating in school-based adolescent parenting and child care programs. As part of this expedited process, counties are encouraged to make child care assistance information and applications available on site at school-based adolescent parent programs, to contact school districts to learn the location of these programs, and to meet with school administrators to discuss the best ways to serve this population. These efforts are intended to promote community coordination and support for minor parents completing their high school education. CFL will provide technical assistance through instructional bulletins, updated training manual materials, implementation memos, and responses to policy inquiries.

Montana hired two additional staff in the Early Childhood Services Bureau to manage contracts. The state is developing two new automated child care systems to help with the administration of the subsidy program, the licensing program, and contracting. This system is based in part on the SEESAW model developed by a group of state administrators.

Nebraska passed legislation creating the Early Childhood Interagency Coordinating Council to restructure existing advisory committees.

New Jersey passed legislation to create both an office and a commission on early childhood education. The Office of Early Childhood Education was established to support to school districts that are implementing early childhood education programs. The Commission on Early Childhood Education was created to be a mechanism for ongoing feedback from critical stakeholders in the delivery of preschool education.

Texas increased the ability of local workforce boards to make decisions related to child care, such as eligibility requirements, payment rates, and sliding fee scales for subsidies.

Utah modified its subsidy eligibility forms and payments as part of its plan to move from a system where payments were issued directly to parents to a two-party check system where checks will be issued to parents and providers.

West Virginia officially established the Child Care Division as part of the state's Department of Health and Human Resources and hired a director and additional staff.

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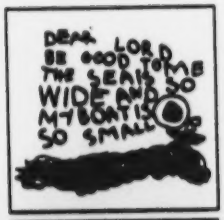

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